

CA20N
ED
R22

GOVT PUBNS

3 1761 11649495 6

REVIEW OF ECONOMIC TRENDS



Prepared By The
**ONTARIO DEPARTMENT OF ECONOMICS
AND
DEVELOPMENT**

Vol. 3, No. 5. **JUNE, 1962**

REVIEW OF ECONOMIC TRENDS

Prepared By The
ONTARIO DEPARTMENT OF ECONOMICS
and
DEVELOPMENT



TABLE OF CONTENTS

	<u>Page</u>
SUMMARY.....	i
ECONOMIC INDICATORS - SEASONALLY ADJUSTED.....	A1
PART I NOTES ON ECONOMIC CONDITIONS IN CANADA.....	1
PART II NOTES ON ECONOMIC CONDITIONS IN ONTARIO.....	6
PART III NOTES ON ECONOMIC CONDITIONS IN THE UNITED STATES.....	9
PART IV NOTES ON FINANCIAL STATISTICS.....	13
APPENDIX B SELECTED ECONOMIC STATISTICS, CANADA, ONTARIO AND THE UNITED STATES.....	B1
APPENDIX C FINANCIAL STATISTICS.....	C1

SUMMARY

The Canadian economy has been showing little movement for the past couple of months, and the outlook became even more uncertain immediately following the election. However, the strong position taken by the government in protecting the foreign exchange position has brought back some confidence and a settled policy will permit businessmen to make their decisions with more assurance.

Some very sharp adjustments will take place as a result of government action on tariffs, interest rates and probable tax action. We can expect a virtual stoppage of foreign car imports and of imports of many other consumer goods. Goods whose prices have been held down by foreign competition may rise in price and there may be some displacement of employment in such areas as assembly and distribution of foreign automobiles. The cost of borrowing will be up sharply and this will increase costs of borrowing by the municipal and provincial governments.

The dangers of such measures is that they tend to provide an incentive to invest in the less productive protected industries hence, instead of improving the situation, in the long term they may worsen it, as similar measures did in the United Kingdom in the immediate post-war period.

Trends in production and employment continue strong in both Ontario and Canada despite the uneasiness resulting from the critical foreign exchange position and the drastic drop in the stock market. The leading economic indicators again show a balance between increases and decreases. The coincident and lagging indicators still show more upturns than downturns but the rate of improvement has been reduced.

The downward trend in average hours of work in manufacturing was reversed in March with the hours in both Ontario and Canada up slightly. The largest downturn was in the T.S.E. industrial stock index which had fallen to the February 1961 level by the end of May and has fallen even further in June. While the fall in stock prices was chiefly an adjustment to more realistic prices in terms of earnings, such a sharp drop may have a pronounced effect on future consumer and business decisions. While the volume of trading has been relatively small during most of this period

SUMMARY

The Canadian economy has been showing little movement for the past couple of months, and the outlook became even more uncertain immediately following the election. However, the strong position taken by the government in protecting the foreign exchange position has brought back some confidence and a settled policy will permit businessmen to make their decisions with more assurance.

Some very sharp adjustments will take place as a result of government action on tariffs, interest rates and probable tax action. We can expect a virtual stoppage of foreign and domestic imports and many other consumer goods. Goods whose prices have been held down by foreign competition may rise in price and there may be some displacement of employment in such areas as assembly and distribution of foreign automobiles. The cost of borrowing will be up sharply and this will increase costs of borrowing by the municipal and provincial governments.

The danger of such measures is that they tend to provide an incentive to invest in the less productive protected industries hence, instead of improving the situation, in the long term they may worsen it as similar measures did in the United Kingdom in the immediate post-war period.

Trends in production and employment continue strong in both Ontario and Canada despite the uneasiness resulting from the official foreign exchange position and the drastic drop in the stock market. The leading economic indicators again show a balance between increases and decreases. The coincident and lagging indicators still show more optimism than elsewhere but the rate of improvement has been reduced.

The downward trend in average hours of work in manufacturing was reversed in March with the hours in both Ontario and Canada up slightly. The largest downturn was in the U.S.E. Industrial stock index which had fallen to the February 1961 level by the end of May and has fallen even further in June. While the fall in stock prices was chiefly an adjustment to more realistic prices in terms of earnings, such a sharp drop may have a pronounced effect on future consumer and business decisions. While the volume of trading has been relatively small during most of this period

of low market prices, even the loss of paper profits may cause people to postpone purchases.

Business failures were down in number in May but the total liabilities were still up and seasonally adjusted April and May totals were much higher than first quarter averages. New orders in manufacturing have been down this year from the levels in the latter part of 1961 but total manufacturing production is holding up. Power consumption in Ontario has been fluctuating around 3.3 billion K.W.H. since November but in Canada as a whole, power consumption has declined since the beginning of the year.

There is no upward push to the economy from the construction industry this year. Housing contracts and starts are high but contracts other than housing were well below those at the end of 1961 and early 1962 in the second quarter.

Employment and labour income are rising and retail trade has been fairly stable and advance reports indicate a pick-up in sales in May and June.

Despite downward swings in the stock market, U.S. economic indicators in general have displayed buoyancy and a high degree of business activity. In April, production, sales and personal incomes reached record levels. Unemployment however, was still relatively high and showed little or no signs of improvement.

The developments leading up to the government action in June were reflected in the money market in May. The total supply of money contracted slightly towards the end of May and conditions on the Canadian money market tightened slightly. Weakness developed in all sections of the bond markets in Canada and sharp price declines were registered. Equities on Canadian stock markets fluctuated within a relatively narrow price range during the first half of the month but declined steadily thereafter culminating on Monday May 28 in the sharpest one-day price decline experienced in recent times. A subsequent rally saw most stocks regain a large part of the losses but at the close of the month a marked downtrend in prices asserted itself. The value of the Canadian dollar continued under pressure throughout May.

of low market prices, even the loss of paper profits may cause people to postpone purchases.

Business failures were down in number in May but the total liabilities were still up and seasonally adjusted April and May totals were much higher than first quarter averages. New orders in manufacturing have been down this year from last levels in the latter part of 1961 but total manufacturing production is holding up. Lower consumption in Ontario has been fluctuating around 5.3 billion dollars since November but in Canada as a whole, power consumption has declined since the beginning of the year. There is no upward push in the economy from the construction

industry this year. Housing contracts and starts are high but contracts other than housing were well below those at the end of 1961 and early 1962 in the second quarter.

Equipment and labor income are rising and retail trade has been fairly stable and advance reports indicate a pick-up in sales in May and June.

Despite downward pressure on the economy, indicators in general have been fairly good. In April, production, sales and personnel incomes reached record levels. Unemployment, however, was still relatively high and showed little or no signs of improvement.

The developments leading up to the government action in June were reflected in the money market in May. The total supply of money contracted slightly towards the end of May and conditions on the Canadian

money market tightened slightly. Business developed in all sections of the bond markets in Canada and sharp price declines were registered. Equities on Canadian stock markets fluctuated within a relatively narrow price range during the first half of the month but declined steadily thereafter culminating on Monday May 28 in the sharpest one-day price decline experienced in recent times. A subsequent rally saw most stocks regain a large part of the losses but at the close of the month a marked downward in prices persisted itself. The value of the Canadian dollar continued under pressure throughout May.

ECONOMIC INDICATORS - SEASONALLY ADJUSTED

I. Leading Indicators

		Average Weekly Hours Worked in Manufacturing		Industrial Stock Index T.S.E. 1934=100	Business Failures			
		Ontario	Canada		Number		Liabilities	
					Ontario	Canada	Ontario	Canada
							\$'000	
1959		40.6	40.7	528.37	586	1,483	34,399	74,657
1960		40.3	40.4	494.69	784	1,901	121,527	180,327
1961		40.5	40.6	583.54	815	2,028	51,036	115,778
1959	June	40.9	40.8	529.78	54	123	3,642	6,681
	July	40.7	40.7	537.55	47	108	3,543	7,359
	Aug.	40.6	40.8	522.31	55	126	3,899	8,335
	Sept.	40.6	40.7	516.48	58	142	5,353	8,850
	Oct.	40.7	40.8	523.76	55	142	4,466	7,585
	Nov.	40.3	40.5	527.55	60	144	3,800	8,489
	Dec.	40.4	40.5	532.08	48	143	5,694	10,818
1960	Jan.	40.4	40.6	512.91	52	142	5,324	9,771
	Feb.	40.1	40.3	499.60	56	145	22,674	30,740
	Mar.	40.2	40.4	493.22	61	155	7,817	10,249
	Apr.	40.2	40.3	486.24	68	143	5,811	12,157
	May	40.0	39.9	488.92	76	150	4,173	10,209
	June	40.1	40.2	480.31	59	139	4,948	10,888
	July	40.3	40.5	463.68	58	144	3,175	7,267
	Aug.	40.3	40.3	491.78	66	196	5,150	11,410
	Sept.	40.3	40.4	490.43	86	173	7,768	11,942
	Oct.	40.1	40.2	497.38	66	159	4,850	11,250
	Nov.	40.1	40.2	508.24	67	173	4,143	11,364
	Dec.	40.0	40.1	524.63	77	188	7,678	13,882
1961	Jan.	39.9	40.0	543.55	75	161	3,211	7,798
	Feb.	40.3	40.3	555.75	54	188	1,197	3,759
	Mar.	40.0	40.2	557.81	53	142	4,359	10,583
	Apr.	40.1	40.4	577.15	83	166	5,763	16,718
	May	40.3	40.3	569.60	70	175	6,333	10,682
	June	40.5	40.8	579.28	110	225	5,408	9,399
	July	40.4	40.5	577.05	69	183	9,092	16,926
	Aug.	40.8	40.7	587.30	74	153	11,671	12,933
	Sept.	40.9	40.8	603.38	89	177	4,342	8,287
	Oct.	40.8	40.7	611.03	63	184	5,161	13,870
	Nov.	40.7	40.7	620.61	55	157	4,884	11,657
	Dec.	40.6	40.5	617.55	42	126	3,134	7,377
1962	Jan.	40.5	40.5	608.97	97	193	4,077	8,473
	Feb.	40.7	40.7	618.93	57	161	961	3,061
	Mar.	40.8	40.9	621.77	68	149	4,546	6,547
	Apr.			608.95	89	188	4,640	12,272
	May			555.37	88	187	4,758	13,687

Seasonal Adjustments, Ontario Department of Economics and Development.

ECONOMIC INDICATORS - SEASONALLY ADJUSTEDI. Leading Indicators

	<u>New Orders in</u> <u>Manufacturing</u> <u>Canada</u>		<u>New Dwelling</u> <u>Unit Starts</u> <u>Ontario</u> <u>Canada</u>		<u>Housing Contracts</u> <u>Ontario</u> <u>Canada</u>		<u>Business, Industrial</u> <u>and Engineering</u> <u>Contracts</u> <u>Ontario</u> <u>Canada</u>	
	\$ Million		No.		\$ Million		\$ Million	
1959	23,330		54,158(1)	141,345(1)	504.8	1,111.7	757.5	2,107.4
1960	23,086		42,282	108,858	374.9	769.8	951.0	2,284.0
1961	23,994		48,144	125,577	402.6	1,006.0	826.4	2,217.0
1959	June	2,069	2,730	7,551	34.3	78.9	80.3	171.6
	July	1,995	3,025	8,192	37.9	93.5	72.3	175.2
	Aug.	1,960	3,153	8,405	37.2	84.4	51.8	182.5
	Sept.	1,989	2,855	8,246	34.0	95.3	63.6	206.5
	Oct.	2,049	3,176	8,607	40.6	88.5	81.1	185.2
	Nov.	1,948	4,868	10,092	35.7	86.0	59.9	204.2
	Dec.	1,940	2,993	9,060	35.2	74.9	73.8	155.0
1960	Jan.	1,917	2,732	9,056	31.4	78.4	97.5	235.2
	Feb.	1,971	2,359	6,051	20.5	58.9	56.0	236.3
	Mar.	1,978	1,539	5,674	24.6	56.7	91.1	177.2
	Apr.	1,859	1,766	5,499	33.8	72.9	166.1	313.9
	May	1,879	2,134	5,249	28.2	56.3	53.8	194.8
	June	1,932	2,631	5,888	31.8	64.0	32.7	173.5
	July	1,865	2,819	6,413	35.1	66.0	53.2	170.7
	Aug.	1,936	2,091	5,514	30.7	61.7	60.3	131.9
	Sept.	1,990	2,781	6,324	32.0	63.5	78.2	184.3
	Oct.	1,884	2,854	6,904	34.2	65.4	65.3	149.7
	Nov.	1,968	3,200	7,184	28.9	64.1	68.9	167.6
	Dec.	1,922	3,354	8,947	35.9	71.0	63.6	175.3
961	Jan.	1,901	2,890	9,316	49.2	93.6	83.3	194.0
	Feb.	1,870	4,211	10,929	19.4	53.8	76.7	150.9
	Mar.	1,946	4,258	10,377	36.4	81.5	31.8	141.4
	Apr.	1,890	2,756	7,951	38.7	92.0	43.3	170.5
	May	1,951	2,725	6,696	33.6	86.1	51.9	137.2
	June	2,001	2,690	7,177	33.6	78.4	116.3	186.9
	July	1,971	2,737	6,403	29.7	77.7	79.2	184.8
	Aug.	2,099	3,504	7,850	46.5	99.6	56.8	156.2
	Sept.	2,060	3,385	7,610	38.9	84.7	75.8	259.5
	Oct.	2,042	2,544	6,997	20.2	66.5	65.8	160.6
	Nov.	2,217	3,052	8,442	31.0	92.9	85.1	270.0
	Dec.	2,043	3,385	8,572	32.6	98.2	71.4	182.7
52	Jan.	2,125	3,192	9,922	40.1	147.2	109.3	207.8
	Feb.	2,087	1,983	9,111	28.5	86.7	109.5	190.1
	Mar.	2,003	3,086	9,608	32.9	93.1	57.8	181.0
	Apr.	2,039	3,086	8,610	26.7	88.7	66.1	163.3
	May				35.4	93.5	62.3	142.0

(1) Seasonal Adjustments, Ontario Department of Economics and Development. The annual totals are for all areas; they are 35 to 40% higher than the figures for urban centres of 5,000 and over which are the only data available monthly.

ECONOMIC INDICATORS - SEASONALLY ADJUSTED

II. Coincidental and Lagging Indicators.

	Gross National Product*	\$ Million	Annual Rate	Industrial Production: Canada				
				Total	Manufacturing		Mining	Electric Power & Gas Utilities
					Total	Non-Durable		
1959				-----1949=100-----				
June	34,660	167.0	151.3	149.7	153.2	247.3	269.6	
July		166.2	150.9	150.2	151.8	247.4	260.9	
August	34,932	164.8	148.7	151.2	145.8	246.0	270.6	
September		168.3	150.2	151.2	149.0	263.5	280.7	
October		171.0	154.1	152.6	155.8	258.8	278.1	
November	35,412	167.8	149.2	152.6	145.3	264.1	285.3	
December		169.2	151.8	151.4	152.3	257.1	284.9	
Year	34,784	166.1	149.8	150.1	149.5	251.1	268.7	
1960								
January		172.1	155.1	154.9	155.4	256.5	287.5	
February	35,988	170.2	152.4	152.8	151.9	260.6	288.9	
March		171.8	153.2	154.1	152.2	263.2	299.6	
April		166.6	148.9	149.6	148.1	251.5	293.0	
May	35,620	167.2	149.0	151.1	146.5	256.4	296.0	
June		166.6	148.6	151.7	145.0	249.0	302.1	
July		164.3	146.1	150.6	140.9	249.7	297.8	
August	35,720	165.6	146.7	150.4	142.3	249.1	314.6	
September		167.2	148.2	150.8	145.1	255.2	314.4	
October		166.7	149.2	152.4	145.5	245.6	301.4	
November	36,384	166.1	147.9	152.6	142.5	252.2	298.9	
December		166.3	148.1	151.8	143.8	248.7	305.6	
Year	35,928	167.4	149.3	151.8	146.9	253.3	298.0	
1961								
January		165.6	146.7	152.7	139.8	253.8	305.8	
February	35,560	166.7	147.9	153.4	141.5	255.3	303.9	
March		166.0	148.5	153.7	142.5	243.6	302.5	
April		169.2	149.8	155.4	143.1	260.2	312.2	
May	36,488	169.4	149.1	154.1	143.2	262.8	325.5	
June		173.3	153.4	158.2	147.9	264.9	323.5	
July		173.4	154.0	158.8	148.4	260.1	325.0	
August	37,396	176.4	155.5	157.8	152.8	273.9	331.0	
September		178.1	156.8	159.1	154.2	281.6	332.9	
October		177.9	156.8	159.3	153.9	278.4	330.4	
November	37,932	180.1	158.9	160.8	156.7	287.1	321.8	
December		180.5	160.8	163.5	157.6	273.3	325.5	
Year	36,844	172.9	153.0	157.0	148.4	266.9	317.7	
1962								
January		179.8	158.5	162.4	153.9	280.4	336.0	
February		182.3	161.3	163.8	158.3	280.9	335.9	
March		184.0	162.4	165.9	158.3	289.5	335.2	

Seasonal Adjustments, Dominion Bureau of Statistics.

ECONOMIC INDICATORS (CONTINUED) - SEASONALLY ADJUSTED

II. Coincidental and Lagging Indicators.

		Cheques Cashed in Clearing Centres*		Retail Trade*		Labour Income**	
		Ontario ⁽¹⁾	Canada ⁽²⁾	Ontario	Canada	Ontario	Canada
		\$ Million		\$ Million		\$ Million	
1959		27,842	97,586	6,220	16,283	7,352.0	17,463.0
1960		28,457	102,954	6,314	16,502	7,571.0	18,119.0
1961		30,422	114,577	6,337	16,664	7,911.0	18,884.0
1959	June	2,247	7,834	514	1,341	613.6	1,456.2
	July	2,343	8,184	521	1,358	616.3	1,447.6
	Aug.	2,412	8,267	511	1,348	615.4	1,449.7
	Sept.	2,334	8,172	516	1,356	620.1	1,465.7
	Oct.	2,358	8,200	530	1,379	623.4	1,483.3
	Nov.	2,439	8,630	527	1,378	617.4	1,479.7
	Dec.	2,347	8,283	516	1,353	623.3	1,493.0
1960	Jan.	2,380	8,346	530	1,376	627.5	1,498.3
	Feb.	2,444	8,575	520	1,361	626.6	1,499.1
	Mar.	2,292	8,266	521	1,351	627.4	1,501.1
	Apr.	2,294	8,436	528	1,367	629.3	1,504.8
	May	2,316	8,401	524	1,373	627.4	1,500.3
	June	2,340	8,551	524	1,370	628.6	1,506.1
	July	2,320	8,596	521	1,357	627.6	1,509.2
	Aug.	2,312	8,616	517	1,363	632.1	1,515.4
	Sept.	2,388	8,752	523	1,376	633.8	1,518.3
	Oct.	2,476	9,021	530	1,400	635.3	1,519.9
	Nov.	2,388	8,284	530	1,395	637.6	1,523.8
	Dec.	2,503	9,073	535	1,397	638.0	1,522.8
1961	Jan.	2,532	9,231	536	1,408	638.8	1,527.3
	Feb.	2,272	8,436	516	1,365	643.0	1,534.8
	Mar.	2,338	9,307	511	1,353	645.8	1,540.9
	Apr.	2,562	9,381	513	1,346	648.1	1,548.1
	May	2,516	9,371	517	1,360	653.3	1,558.3
	June	2,551	9,397	532	1,388	659.6	1,578.2
	July	2,705	9,568	535	1,383	664.6	1,584.0
	Aug.	2,544	9,715	589	1,430	667.8	1,588.2
	Sept.	2,614	10,281	480	1,336	666.3	1,592.7
	Oct.	2,557	9,575	518	1,391	670.7	1,601.7
	Nov.	2,543	9,724	542	1,440	671.6	1,607.8
	Dec.	2,682	10,559	539	1,436	681.1	1,622.4
1962	Jan.	2,705	10,338	542	1,442	683.1	1,630.7
	Feb	2,736	10,439	531	1,419	687.2	1,639.7
	Mar.	2,774	10,058	546	1,435	694.1	1,652.6
	Apr.						
	May						

* Seasonal Adjustments, Ontario Department of Economics and Development.

** Seasonal Adjustments, Dominion Bureau of Statistics.

(1) Excluding Toronto.

(2) Excluding Toronto and Montreal.

ECONOMIC INDICATORS (CONTINUED) - SEASONALLY ADJUSTED

II. Coincidental and Lagging Indicators.

	Labour	Employed	Unemployed		Labour	Employed	Unemployed	
	Force '000		No.	% of L.F.	Force '000		No.	% of L.F.
		'000	'000			'000	'000	
----- Ontario -----					----- Canada -----			
1959		2,290	2,187	103 4.5	6,228	5,856	373 6.0	
1960		2,367	2,239	128 5.4	6,403	5,955	448 7.0	
1961		2,392	2,262	131 5.5	6,519	6,047	472 7.2	
1959	June	2,277	2,185	92 4.0	6,206	5,862	344 5.5	
	July	2,296	2,201	95 4.1	6,234	5,888	346 5.6	
	Aug.	2,296	2,196	100 4.4	6,232	5,873	359 5.8	
	Sept.	2,292	2,208	84 3.7	6,241	5,901	340 5.4	
	Oct.	2,308	2,216	92 4.0	6,265	5,903	362 5.8	
	Nov.	2,313	2,202	111 4.8	6,266	5,895	371 5.9	
	Dec.	2,322	2,217	105 4.5	6,281	5,902	379 6.0	
1960	Jan.	2,348	2,241	107 4.6	6,323	5,929	394 6.2	
	Feb.	2,351	2,245	106 4.5	6,358	5,915	443 7.0	
	Mar.	2,362	2,246	116 4.9	6,368	5,927	441 6.9	
	Apr.	2,364	2,240	124 5.2	6,354	5,896	458 7.2	
	May	2,386	2,256	130 5.4	6,404	5,948	456 7.1	
	June	2,352	2,227	125 5.3	6,371	5,960	411 6.5	
	July	2,338	2,208	130 5.6	6,388	5,952	436 6.8	
	Aug.	2,365	2,225	140 5.9	6,424	5,972	452 7.0	
	Sept.	2,371	2,242	129 5.4	6,423	5,980	443 6.9	
	Oct.	2,390	2,252	138 5.8	6,473	5,993	480 7.4	
	Nov.	2,389	2,255	134 5.6	6,477	5,993	484 7.5	
	Dec.	2,387	2,238	149 6.2	6,482	5,980	502 7.7	
1961	Jan.	2,403	2,237	166 6.9	6,520	5,978	542 8.3	
	Feb.	2,392	2,232	160 6.7	6,506	5,941	565 8.7	
	Mar.	2,384	2,229	155 6.5	6,489	5,952	537 8.3	
	Apr.	2,393	2,245	148 6.2	6,538	6,010	528 8.1	
	May	2,398	2,259	139 5.8	6,555	6,061	494 7.5	
	June	2,391	2,255	136 5.7	6,507	6,044	463 7.1	
	July	2,392	2,255	137 5.7	6,534	6,073	464 7.1	
	Aug.	2,395	2,280	115 4.8	6,502	6,077	425 6.5	
	Sept.	2,384	2,290	94 3.9	6,491	6,065	426 6.5	
	Oct.	2,384	2,271	113 4.7	6,512	6,080	432 6.6	
	Nov.	2,398	2,292	106 4.4	6,524	6,118	406 6.2	
	Dec.	2,398	2,294	104 4.3	6,547	6,162	385 5.9	
1962	Jan.	2,391	2,279	112 4.7	6,533	6,147	386 5.9	
	Feb.	2,392	2,275	117 4.9	6,567	6,147	420 6.4	
	Mar.	2,391	2,277	114 4.8	6,592	6,211	381 5.8	
	Apr.	2,394	2,294	100 4.2	6,591	6,206	385 5.8	
	May	2,401	2,306	95 4.0	6,603	6,229	374 5.7	

Seasonal Adjustments, Ontario Department of Economics and Development.

ECONOMIC INDICATORS (CONTINUED) - SEASONALLY ADJUSTED

II. Coincidental and Lagging Indicators

		<u>Industrial Employment</u>		<u>Average Hourly Earnings</u>	
		<u>Ontario</u>	<u>Canada</u>	<u>Ontario</u>	<u>Canada</u>
		1949=100		in Manufacturing	
1959		121.3	119.7	1.82	1.72
1960		119.2	118.7	1.87	1.78
1961		118.8	118.0	1.93	1.83
1959	June	121.5	119.9	1.81	1.71
	July	121.7	119.3	1.82	1.72
	Aug.	122.3	119.8	1.82	1.73
	Sept.	122.5	120.8	1.84	1.74
	Oct.	122.5	120.8	1.84	1.75
	Nov.	121.0	119.9	1.83	1.75
	Dec.	121.5	120.3	1.85	1.76
1960	Jan.	121.2	120.1	1.86	1.76
	Feb.	121.0	120.0	1.86	1.76
	Mar.	120.3	119.7	1.86	1.77
	Apr.	119.6	118.8	1.87	1.78
	May	119.4	118.9	1.87	1.78
	June	119.2	119.3	1.87	1.78
	July	117.9	118.2	1.87	1.78
	Aug.	119.0	118.7	1.88	1.79
	Sept.	118.7	118.4	1.88	1.79
	Oct.	118.1	118.0	1.89	1.79
	Nov.	118.6	117.8	1.89	1.80
	Dec.	117.7	116.9	1.90	1.80
1961	Jan.	117.2	116.5	1.90	1.80
	Feb.	117.0	116.2	1.90	1.81
	Mar.	117.0	116.5	1.92	1.82
	Apr.	117.1	116.6	1.92	1.83
	May	117.8	117.2	1.93	1.83
	June	118.1	117.7	1.93	1.82
	July	118.8	118.8	1.92	1.83
	Aug.	120.3	119.5	1.95	1.85
	Sept.	119.2	118.6	1.92	1.83
	Oct.	119.9	119.3	1.95	1.85
	Nov.	120.8	119.7	1.95	1.85
	Dec.	121.2	120.0	1.95	1.86
1962	Jan.	121.2	120.3	1.94	1.85
	Feb.	120.9	120.1	1.95	1.85
	Mar.	121.4	120.6		1.85
	Apr.				
	May				

Seasonal Adjustments, Ontario Department of Economics and Development.

ECONOMIC INDICATORS (CONTINUED) - SEASONALLY ADJUSTED

II. Coincidental and Lagging Indicators.

		Power Consumption		New Dwelling Unit Completions	
		Ontario	Canada	Ontario	Canada
		(MKWH)		(Number)	
1959		35,387	99,782	54,281(1)	145,571(1)
1960		36,983	108,912	46,982	123,757
1961		38,223	110,433	43,754	115,608
1959	June	2,962	8,271	3,751	9,270
	July	2,960	8,250	3,571	9,814
	Aug.	2,970	8,300	3,577	9,058
	Sept.	3,003	8,439	3,012	8,132
	Oct.	3,071	8,534	3,253	8,231
	Nov.	3,088	8,697	3,063	9,240
	Dec.	3,072	8,837	2,972	8,992
1960	Jan.	3,046	8,903	3,008	9,044
	Feb.	3,132	9,156	4,046	10,688
	Mar.	3,144	9,192	3,329	8,170
	Apr.	3,047	8,978	3,693	9,131
	May	3,077	8,849	3,081	8,147
	June	3,078	9,071	2,676	6,896
	July	3,025	8,998	2,809	7,285
	Aug.	3,105	9,225	2,582	7,118
	Sept.	3,102	9,298	2,945	7,449
	Oct.	3,050	8,999	1,828	5,736
	Nov.	3,074	9,058	3,143	6,873
	Dec.	3,106	9,146	2,657	6,476
1961	Jan.	3,129	9,175	3,358	7,280
	Feb.	3,019	8,927	3,580	8,037
	Mar.	3,076	9,129	2,411	5,902
	Apr.	3,013	9,069	1,810	6,356
	May	3,188	9,306	1,783	6,189
	June	3,197	9,047	2,959	7,339
	July	3,168	8,881	3,015	6,921
	Aug.	3,237	9,116	3,038	7,874
	Sept.	3,273	9,224	2,575	7,917
	Oct.	3,253	9,347	2,742	6,888
	Nov.	3,301	9,485	2,169	6,137
	Dec.	3,280	9,556	2,485	6,413
1962	Jan.	3,378	9,751	3,995	8,319
	Feb.	3,297	9,544	3,763	8,791
	Mar.	3,312	9,587	3,643	8,402
	Apr.	3,294	9,445	2,142	7,520
	May				

(1) Seasonal Adjustments, Ontario Department of Economics and Development.
The annual totals are for all areas; they are 35 to 40 per cent higher than the figures for urban centres of 5,000 and over which are the only data available monthly.

Manufacturing

There was continued growth in the volume output of non-durable manufacturing industries in March. This resulted in another increase in the index of total manufacturing production, to the record level of 162.4, 4.4 per cent above the previous cyclical peak established in January 1960. Almost every industrial group demonstrated strength during March. Major gains were recorded in foods and beverages and tobacco and tobacco products. Output in the printing and publishing and the textile industries dropped off by 1 per cent and 3 per cent respectively during the month.

A marked hesitancy has been exhibited in durable manufacturing, after a period of sustained growth in the volume of output, commencing in January 1961. The index of durable production fell sharply between December 1961 and January 1962, recovered in February 1962 and remained unchanged in March at 158.3. While the rise in the value of shipments in April suggests continued improvement in the total manufacturing index of production for that month, there is little data available to indicate whether durable manufacturing has moved ahead. It should also be noted that sharp swings in the index of durable manufacturing production usually precede cyclical turns in the economy.

Activity in durable manufacturing in March was highlighted by mixed trends among the component industrial groups. Sharp gains in wood products, electrical apparatus and supplies and non-metallic mineral products were balanced by declines in iron and steel products and non-ferrous metal products. The volume of output in transportation products remained unchanged during the month.

Manufacturing shipments in April 1962 advanced to the cyclical high of \$2.15 billion on a seasonally adjusted basis. Unfilled orders have remained in excess of \$2 billion for the February-April period, the highest level since the first half of 1960. There is, however, no trend towards a growing backlog in unfilled orders. Total inventory owned, seasonally adjusted, fell in April to \$4.5 billion from the March peak. Nevertheless, the trend towards inventory accumulation which began in May 1961 is still in evidence. This accumulation has been concentrated mainly in goods in process. These several trends suggest that the situation in

manufacturing has not improved significantly during the current upswing. Durable manufacturing, with the exception of motor vehicles and the ancillary industries, is still in a relatively weak position from a long term point of view.

This conclusion is supported by the latest figures on new orders in manufacturing. Here, although the value of new orders rose from \$2,003 million in March to \$2,039 million in April, seasonally adjusted, there has been a definite decline in the total value of new orders from the peak in the November 1961 - January 1962 period.

Within manufacturing itself, there are several areas of continued strength. The production of steel ingots rose by 4.7 thousand tons during the month of May to 590,341 tons. Steel ingot production remained at record levels for the third consecutive month.

Motor vehicle production in Canada continued the strong upward pattern of the first quarter and reached 57,845 vehicles in May. This level was more than 16,000 vehicles above May 1961 and was the highest level of output in the country since May 1956. Recent weekly data indicate that these high levels of production have been maintained in June. Without doubt, this sector has been one of the strong sustaining influences underlying the present economic expansion.

Mining

The index of mining production moved ahead strongly in March to 289.5 reflecting a significant increase in fuels, particularly in crude petroleum. Output of all the major metals, except zinc and uranium, advanced during the month. The sharpest decline in the sector was in asbestos, which fell by 11.5 points to 238.2.

Iron ore shipments swung sharply upward in April, reflecting a rise in exports. April 1962 shipments were almost triple those of April 1961, while domestic movements of iron ore were somewhat down from last April.

Gold production in Canada moved significantly ahead in March and more than recovered the loss sustained in February. Production is still sluggish, however, with total output for the first quarter of 1962

running behind the comparable figure for each of the last three years. It is anticipated that the pegging of the Canadian dollar at 92.5 U.S.cents will buoy up Canadian gold production in the coming months.

Wholesale Prices

Preliminary figures for May suggest that the wholesale price index is beginning to move up again, duplicating the pattern seen in the second quarter of 1961. In May, the wholesale price index rose to 239.1, up 1.7 points from April and 7.9 points above the May 1961 index. Six major component indices were higher in May, while three moved slightly downward. Wood products and non-ferrous metals were the chief components encouraging the total upward movement.

The wholesale prices of 30 industrial materials continued to move upward during the month of May. Prices were higher for 13 commodities, lower for 6 and unchanged for 11.

Construction

Contracts awarded during the first five months of the year totalled \$1,393 million, seasonally adjusted an advance of 16 per cent over the comparable period last year, but a fall-off from the latter part of 1961. While the first quarter of 1962 had shown a great deal of strength, some weakening became evident in April and May.

Residential contracts (seasonally adjusted) in the five month period reached a healthy half billion dollar mark, well ahead of last year but with January the strongest of the five months. Since January these contracts have fallen to a much less exciting level, although May looked comparatively good. Non-residential contracts continued their downward trend from the latter part of 1961 through May of this year. The weakening revealed here was still solely in the engineering sector which started to show a slight improvement in May.

A \$10.9 million sheet mill in Kingston, contracted in April, dominated the industrial sector. This sector has been relatively strong in 1962, although it has been erratic. The province of Quebec gave the engineering sector what little strength it had in April and May. In Quebec

contracts included a \$12 million trans-Canada microwave system, a Seaway crane installation (at Sorel), almost \$10 million worth of dredging (St. Lawrence River and Montreal Harbour), a subway tunnel and a hydro tunnel. Business contracts continued their good showing with a heavy volume of school construction, a \$10 million shopping mall and apartment development in Ottawa, a \$10 million development with stores and offices in Hamilton, a hotel and apartment in Long Branch for an additional \$7 million and a \$6 million shopping centre in Victoria.

New dwelling unit starts were running about the same as last year during the first four months of 1962. Completions, seasonally adjusted, in the first four months of 1962 were at a high level and considerably ahead of the latter part of 1961. However, a relatively sharp drop in their number occurred in April, especially in Ontario. As a result, the number of units under construction at the end of April rose significantly.

Employment and Earnings

The Canadian labour market is continuing to show improvement and in May, unemployment, seasonally adjusted, dropped to 374,000 or 5.7 per cent of the work force. The previous low was 5.4 per cent in September 1959. The labour force continued to increase and in the third week in May had reached 6,603,000, up about 50,000 in the past year. Employment has increased by about 170,000 during the year.

The largest year-to-year increase in employment in Canada was in the Province of Quebec where there were a total of 1,716,000 employed in May, 70,000 more than in May 1961. The other provinces all showed gains during the year but none of the others were so spectacular. The improvement in the employment situation was general. However, the largest increases were in manufacturing and services and there was a substantial year-to-year decline in agriculture.

Unemployment has declined sharply in the past year and a half from a high of 8.7 per cent of the work force in February 1961.

Labour income is continuing to rise with the increases in both employment and in average weekly earnings.

Retail Trade

Retail sales, on a seasonally adjusted basis, edged slightly upward in March recovering much of the ground lost in February. Almost all retail outlets contributed to the March expansion, with the largest sales advances being recorded by automobile dealers and grocery and combination stores.

For a period of five months now, retail sales have been steady at very high levels and it is difficult to anticipate the direction they will follow in the immediate future. The high level of motor vehicle sales in April and of production in May and the early weeks of June suggest that this component will continue to provide strong support to retail sales.

Consumer Prices

After a gradual increase in prices from the end of July 1961 to April 1962, the index eased from 130.3 to 130.1 between April and May. Decreases in the food and clothing indices offset increases in the housing, transportation, health and personal care, and recreation and reading indices. During the month the index for tobacco and alcoholic beverages remained steady and was 2.1 points above the comparable figure for May, 1961. The impact of the pegging of the Canadian dollar at 92.5 U.S. cents on May 2nd will undoubtedly be reflected in an upward movement in consumer prices in June. The June 25th tariff hikes on a wide range of imported consumer goods is likely to give added impetus to this upward trend in the July figures.

Consumer Credit

Balances outstanding to consumers on the books of sales finance companies, small loan companies, department stores, furniture and appliance stores and the chartered banks rose \$24 million in March to reach \$3,353 million at the end of the month. Consumer credit outstanding was 9.7 per cent higher in March this year than in March 1961. The major portion of this increase during the month was accounted for by a \$22 million expansion in the personal loans extended by the chartered banks.

Cash loans extended to consumers by the small loans companies advanced slightly in March, while the balance outstanding of the sales finance companies remained stationary and the credit accommodation provided

by department, furniture and appliance stores moved downward. At the beginning of April, the last of the major chartered banks actively entered the personal loan field, and it is anticipated that their inclusion in the market will provide added stimulus to the present expansion in the personal loans of the chartered banks.

PART II

NOTES ON ECONOMIC CONDITIONS IN ONTARIO

Manufacturing

With the high concentration of primary iron and steel and motor vehicles in Ontario it is not surprising that the value of shipments from the Province's manufacturing industries are running well ahead of last year. In the first four months of 1962 manufacturers' shipments were valued at \$4,060 million, an increase of 11.5 per cent from the similar period last year. Besides the increase in iron and steel and transportation equipment, sizeable gains were recorded in the tobacco, non-ferrous metals and chemical products industries. Advance figures on steel and motor vehicle production for Canada during May suggest that the increase in the value of factory shipments was well maintained in the Province last month. If present trends continue, the manufacturing industries will have one of the largest year-to-year gains in manufacturing output ever recorded. Even if there is some slackening in the latter part of the year, manufacturing shipments should be at record levels in 1962.

Mining

As Ontario accounts for over half of the country's total gold output, the pattern of production in the province in the first quarter of 1962 was comparable to that of the country. Total output was up in March regaining its January level, while total figures for the first quarter were significantly down from last year.

Total shipments of iron ore in Ontario advanced strongly during April, from 98,000 tons in March to a record 392,000 tons. Particularly strong was the growth in ore shipped for export during the month. April export shipments were up substantially from March and were more than six times the volume of April last year.

Construction

Total seasonally adjusted contracts awarded in the first five months of this year amounted to \$569 million, reasonably well ahead of late 1961. However, the seasonally adjusted figures for 1962 indicate that much of the strength was concentrated in January and February, after which a fairly drastic slowdown occurred, especially in the residential and engineering sectors. Yet, the whole period compares favourably with comparable periods in previous years. The most notable sector is still the business sector which remains strong.

The residential sector, which had already shown weakness in late 1961, weakened further at the beginning of this year, especially in February and April. This slackening was also reflected in housing starts which in Ontario compared quite unfavourably with those in the rest of Canada.

The business sector which includes school construction, shops, hospitals and hotels, completely dominates construction contracts and accounts for by far the largest part of the remaining strength in contracts awarded. The industrial sector shows more vigour than has been the case in recent years, but it is a less helpful indicator insofar as a few single large contracts are usually responsible for a good show in this sector.

Starts of new dwelling units in the January-April period fell considerably behind the same period a year ago. Ontario has consistently shown more weakness in this respect than the rest of Canada.

Completions, seasonally adjusted, were much higher in the first quarter of 1962 than a year earlier, but in April they showed drastic drop similar to that in April 1961. The number of units under construction at the end of April was considerably higher than the previous month.

Employment and Earnings

The Ontario labour force is continuing to show virtually no change. There have been only minor fluctuations in the total work force (except for the regular seasonal variations) since October 1960. However, there was a fairly steady increase in employment, seasonally adjusted, throughout 1961 and unemployment dropped about an equal amount. In May unemployment totalled 95,000 or 4.0 per cent of the work force on a

seasonally adjusted basis. This is down more than 40 per cent from the peak of 6.9 per cent in January 1961.

The employment increase from last year was chiefly in the non-agricultural paid worker sector. The year-to-year improvement was also concentrated among males 25 to 65 years of age. All occupations and industries were affected with trade, finance, services, and manufacturing showing strong gains. The greatest change has been in business services in which employment has increased by about ten per cent during the past year.

Unemployment in Ontario in the week ending May 20 was 4.0 per cent of the labour force (seasonally adjusted) as compared with 5.7 per cent in Canada and 5.5 per cent in the United States.

Labour income in Ontario is continuing its steady upward trend. Both increased employment and increases in average earnings have contributed to the rise. Average weekly wages and salaries in March were \$83.17 as compared with \$80.45 in March 1961 and \$80.33 for all Canada. There has, however, been virtually no change in average hourly earnings in manufacturing (seasonally adjusted) since last August, so that most of the year-to-year rise in average earnings probably occurred in mid-1961.

Retail Trade

Retail sales moved ahead, seasonally adjusted, by 2.8 per cent in March and continued to maintain the high level of sales of the past six months. Significant increases were attained in the sales of grocery, combination and department stores, automobile dealers, women's clothing stores and furniture and appliance dealers.

Advance indications for April suggest that the present pattern will be maintained and that department store and motor vehicle sales will be the leading sectors.

PART III

NOTES ON ECONOMIC CONDITIONS IN THE
UNITED STATES

Gross National Product

The Gross National Product, at a seasonally adjusted annual rate, reached a new peak of \$549.0 billion in the first quarter, \$6.8 billion higher than in the fourth quarter. After account was taken of price rises, the first quarter annual rate was \$4.4 billion higher than the previous quarter. Most of the gain was in personal consumption expenditures, and government expenditures on goods and services. Only \$0.9 billion of the rise was in gross private domestic investment, compared with increases of \$3.4 billion and \$4.4 billion in the two preceding quarters.

Production

Industrial production rose to record levels during April in virtually all sectors. The largest rises were for durable and non-durable manufacturing production and in consumer goods production. The seasonally adjusted index of total industrial production rose to an all-time high of 117.1 (1957=100) in April, compared with the previous record of 115.7 the month before.

Throughout April and May, steel production declined as purchasers adjusted their inventories downwards, after building them up in the early part of the year in anticipation of a steel strike. At the end of the first week in June, steel production finally levelled off, after declining for nine weeks. Total production was estimated at about 55 per cent of rated capacity, compared with a high of about 89 per cent in the early part of the year. No real upturn is expected until August when automobile manufacturers start their 1963-model runs. Steel Magazine feels that automakers will place only "fill-in" orders until production is started on next year's car. However, increases in housing starts and other construction awards plus a continued high level of automobile sales has kept steel production more buoyant than expected.

Automobile production has held up surprisingly well. In April, production was near the peak levels of last November and estimates for the first two weeks of May were even higher. April's level was about 27 per cent higher than it was in the same month last year. Dealers' sales for the first

five months of this year were estimated to be 28 per cent higher than the corresponding period last year and were within 11 per cent of a comparable total during the record 1955 run.

Manufacturing

After a pause in January, manufacturing sales continued the cautious rise begun a year earlier. In March, total manufacturing sales, on a seasonally adjusted basis, rose to a new high of \$33.2 billion, from a previous peak of \$32.8 billion the month before. Practically all of the month-to-month increase was in durable goods sales. Any rise in April was probably much less, however, since advance figures for durable goods sales are only slightly higher than those in March.

Manufacturers' inventories have been mounting steadily, in much the same pattern as sales. On a seasonally adjusted basis, total inventories reached a new peak of \$56.6 billion in March resulting from rising durable and non-durable goods inventories.

Manufacturing activity will probably ease off in the near future, particularly in steel production, as steel buyers thin out large accumulated stocks. In March, seasonally adjusted manufacturers' new orders declined a little from the previous month's high of \$33.1 billion to \$32.8 billion. Advance figures for durable goods new orders in April show no change from March.

Employment, Unemployment and Income

With a new series of employment and unemployment statistics, it is difficult to compare the present picture with former months. It is hardly likely however, that there was much of a change in employment and the civilian labour force in April, since the seasonally adjusted rate of unemployment steadied in March at 5.5 per cent of the civilian labour force.

Personal income continued to rise. In April, the seasonally adjusted annual rate of total personal income rose to an all-time record of \$438.7 billion - \$2.8 billion higher than the previous peak in the month before. Practically all of the rise represented increases in wage and salary disbursements which reached record levels in April. Much of the rise in labour income was probably due to a further increase in the average

number of hours worked in manufacturing, which in April reached a new peak of 40.8 hours (seasonally adjusted) - 0.3 hours more than the average in March. This is the highest average in nearly three years.

Retail Sales

Retail sales continued to provide basic strength to the economy. In April, total seasonally adjusted retail sales rose to a record \$19.5 billion, up \$0.3 billion from the previous high the month before. Practically all of the month-to-month rise was in durable goods, reflecting the high level of automobile sales, which were bettered only in 1955.

Profits

First quarter corporate profits are not yet available but a large sampling, as reported in the First National City Bank Monthly Letter for May, indicates that corporate profits for the first quarter are about 23 per cent higher than in the first quarter a year earlier. However, at that time profits were at a cyclical low and they rose in each succeeding quarter until the first quarter of this year when they dropped an estimated nine per cent below the fourth quarter. Although the first quarter profits are usually lower, they also dropped as a percentage of sales, to 6.1, compared with 6.5 in the previous quarter and a cyclical high may have already been reached.

Construction

New construction in April was only barely higher than in the previous month. At a seasonally adjusted annual rate total new construction expenditures for April were \$54.5 billion, compared with \$57.5 billion in March and a high of \$61.0 billion last November. The April rate, however, is the result of mixed changes. Federal, state and local government expenditures were down about \$0.9 billion from the previous month, while private residential, commercial, industrial and other private construction expenditures were up about the same amount.

Prices and Related Indicators

Wholesale prices dropped in April, after continuing steady for about three months. The index of all commodities (1957-59=100) dropped to 100.4 in April from 100.7 in the previous month. This decline was the result of drops in farm products and processed foods prices.

Consumer prices inched up again in April, for the third month in a row. The index of all items (1957-59=100) rose in April to a new high of 105.2 from 105.0 in the previous month. The month-to-month rise reflected mostly increases in food and transportation costs.

The average yield on 3-month U.S. Treasury bills reflected the general nature of business conditions in April. They rose a little but remained slightly below the February high. The yield in April was 2.735 per cent per annum compared with the high of 2.752 in February. The April yield was the second highest in more than 12 months.

PART IV

NOTES ON FINANCIAL CONDITIONS

Introduction

The total supply of money in Canada, as indicated by currency outside banks plus total chartered bank deposits continued to increase until mid-May, reaching a level of \$15,552 million on May 17. By May 31, however, it had declined to \$15,459 million, a net decrease of \$7 million and \$16 million over a week and a month ago. Nevertheless, over the year as a whole it registered an increase of \$1,653 million. Short-term funds remained in fairly adequate supply during May, with interest charges and money rates showing little change. However, dealers anticipate that conditions will tighten during June partly because cash reserves of the chartered banks are now approaching their minimum legal requirement of 8 per cent.

All sections of the Canadian bond markets experienced sharp price declines during May. Early in the month the descent in prices of outstanding issues was fractional but considerable weakness developed after mid-month and sharp losses ranging up to two full points were common in all sections. Devaluation and gradual withdrawal of Government support were the major contributory factors. Few signs exist at the present time to indicate that any immediate reversal of the downtrend will occur.

All stock markets throughout the Western World experienced violent fluctuations during May. On Canadian stock markets, a short-lived price rally occurred early in the month following the devaluation of the Canadian dollar. Subsequently a continuing series of downward price adjustments occurred which assumed major proportions on Monday, May 28. For example, on that day the Toronto Stock Exchange Industrial Index declined $16\frac{1}{4}$ points or 2.6 per cent to register the largest one-day fall in the price of industrial stocks since the Exchange began calculating an Industrial Index in 1934. A subsequent two-day rally was followed by profit-taking on the final day of the month. Action during the first few days of this month indicates a similar seesaw trend for June and the 1962 lows already established will be severely tested.

The value of the Canadian dollar in terms of U.S. funds continued to be under pressure throughout the month with the premium on the U.S. dollar increasing from $7\frac{1}{2}$ per cent on May 3, to close the month at nine per cent. The trading range as permitted by the International Monetary Fund corresponds to a floor of $7\frac{1}{16}$ per cent premium and a ceiling of $9\frac{3}{16}$ per cent. Rates for all other foreign currencies in Canada have also risen proportionately.

Canadian Money Market - May

Short-term funds were in adequate supply during most of the month of May. In the week ending May 25, the day-to-day loan rate advanced $\frac{1}{4}$ per cent to $3\frac{1}{4}$ per cent, and thereafter declined to $2\frac{3}{4}$ per cent, to close the month at that level.

The average yield on 91-day and 182-day Canada Treasury Bills successively advanced at each of the weekly auctions held during the month. Yields on 91-day and 182-day offerings increased by 0.33 per cent and 0.36 per cent respectively. Average weekly yields on these bills were as follows:

<u>1962</u>	<u>91-Day Bills</u>	<u>182-Day Bills</u>
	%	%
May 3	3.19	3.35
May 10	3.24	3.38
May 17	3.36	3.49
May 24	3.50	3.71
May 31	3.52	3.71

The amount of tender on the 91-day and 182-day Treasury Bills remained unchanged at \$95 million and \$25.0 million respectively. The total amount of Canada Treasury Bills outstanding as at May 31, 1962 was \$1,885 million - unchanged from last month's total. The distribution was as follows:

CANADA TREASURY BILLS OUTSTANDING MAY 31, 1962

	<u>\$ Million</u>
91-day issues maturing June 1 to August 31	1,235
182-day issues maturing June 1 to November 30	<u>650</u>
	1,885
	<u><u>1,885</u></u>

Most rates on prime finance and commercial paper increased by $\frac{1}{8}$ per cent in the second week and an additional $\frac{1}{8}$ per cent in the final week of May. This is illustrated in the following table.

Type of Paper	RATES AS AT		
	May 3, 1962	May 10, 1962	May 31, 1962
	%	%	%
Prime Finance:			
30-89 days	$3\frac{1}{8}-3\frac{1}{4}$	$3\frac{1}{4}$	$3\frac{3}{8}-3\frac{1}{2}$
90-179 days	$3\frac{1}{2}$	$3\frac{1}{2}-3\frac{5}{8}$	$3\frac{5}{8}-3\frac{3}{4}$
180-269 days	$3\frac{3}{4}$	$3\frac{3}{4}-3\frac{7}{8}$	$3\frac{7}{8}-4$
270-365 days	4	$4-4\frac{1}{8}$	$4\frac{1}{8}-4\frac{1}{4}$
Prime Commercial:			
24 hour demand	$3\frac{1}{8}-3\frac{3}{8}$	$3\frac{3}{8}-3\frac{5}{8}$	$3\frac{3}{8}-3\frac{5}{8}$
30 day demand	$3\frac{1}{4}-3\frac{1}{2}$	$3\frac{3}{8}-3\frac{1}{2}$	$3\frac{1}{2}-3\frac{3}{4}$

Price losses on short-term bonds ranging from \$0.10 to \$2.50, brought to a halt, the steady uptrend in prices which has prevailed in recent months. Trading early in May was unsettled, following the devaluation of the Canadian dollar, but by the end of the month a definite downtrend in prices had developed.

The President of the Canadian Bankers' Association announced on June 3, 1962, that chartered banks will move to broaden the money market through the introduction of Bankers Acceptances on June 11. The acceptance draft, common to the money markets in Britain and the United States, will provide a new credit instrument for both the borrowing of, and investing in, short-term funds. The draft permits qualified companies to use the facilities of the short-term money market by selling a draft which a chartered bank has guaranteed to pay at maturity. The maximum term and minimum denomination will be 90 days and \$200,000, respectively.

International Monetary Events - May

On May 31, the British Government reduced to two per cent from three per cent, the proportion of cash reserves the banks are required to place as "special deposits" with the Bank of England. This action will release approximately \$220 million (U.S.) to the

London clearing banks as an addition to loanable funds. The increase from two per cent to three per cent had been instituted in July, 1961 as part of the Government's program to restrict credit, suppress inflation and strengthen the pound sterling. The Bank rate at that time had been raised from 5.00 per cent to 7.00 per cent; it now stands at a level of 4.50 per cent, as of April 26, 1962.

On the same date, the Bank of England and the New York Federal Reserve Bank announced a reciprocal agreement aimed at protecting each country's currency from undue speculative pressures. The agreement provides that the N.Y. Reserve Bank will credit the British central bank's dollar account with \$50 million. The U.S. bank will receive an equivalent amount in sterling in its account in London. It is hoped that the pact "will facilitate official intervention in the foreign exchange market" in the event that this becomes necessary.

Canadian Bond Market - May

Uneasiness prevailed on the Canada bond market following the devaluation of the Canadian dollar in terms of U.S. funds. Prices of selected short- and medium-term issues advanced fractionally but by mid-month a marked downward trend in all sections asserted itself. As a result, short-term issues declined \$0.10 to \$2.50 in price on a \$100.00 bond; losses on medium- and long-term bonds ranged to \$2.75. In the case of the $4\frac{1}{2}$ per cent 1 September, 1983 issue, the price declined \$3.25 over the month. An indication of the weakness of the market is shown in the following table:

SELECTED GOVERNMENT OF CANADA BONDS, PRICES AND YIELDS

(As at Mid-Market Close)

		December 29, 1961	April 30, 1962	May 31, 1962	Change April 30, 1962 to May 31, 1962	Change End of 1961 to May 31, 1962
		Price \$	Price \$	Price \$	Price \$	Yield %
		Yield %	Yield %	Yield %	Yield %	Yield %
4%	15 December 1963	100.625	100.925	99.975	- 0.95	+ 0.62
3 ³ / ₄ %	1 September 1965	98.875	99.875	98.125	- 1.75	+ 0.57
2 ³ / ₄ %	15 June 1967/68	92.125	93.25	92.00	- 1.25	+ 0.26
4 ¹ / ₄ %	1 September 1972	96.125	97.125	95.125	- 2.00	+ 0.26
3 ¹ / ₄ %	1 June 1974/76	83.125	85.50	82.75	- 2.75	+ 0.31
3 ³ / ₄ %	15 January 1975/78	86.75	89.00	87.25	- 1.75	+ 0.18
3 ¹ / ₄ %	1 October 1979	80.75	82.75	80.50	- 2.25	+ 0.23
4 ¹ / ₂ %	1 September 1983	93.625	95.375	92.125	- 3.25	+ 0.26
					- 0.66	+ 0.35
					- 0.75	+ 0.27
					- 0.125	+ 0.08
					- 1.00	+ 0.14
					- 0.375	+ 0.07
					+ 0.50	- 0.02
					- 0.25	+ 0.05
					- 1.50	+ 0.13

Activity on the Provincial bond market declined during the month. Price losses, however, were less severe than those experienced in the Canada bond market, though losses over the month did range as high as two and a half points. The highlight of the market was a new \$50 million open-end $4\frac{1}{2}$ per cent and 5 per cent Ontario Hydro issue, subsequently allocated as follows:

\$13,500,000 $4\frac{1}{2}$ per cent bonds due June 15, 1970 priced
at \$98.75 to yield 4.69 per cent.

\$36,500,000 5 per cent bonds due June 15, 1979/82
priced at \$98.75 to yield 5.10 per cent.

Although both maturities of this issue appeared to receive a good reception, the longer termed five per cent issue, initially priced at \$98.75 to yield 5.10 per cent closed the month at \$95.75 to yield 5.35 per cent. An indication of the downtrend in prices and corresponding increase in yields of selected Ontario issues during the month of May follows:

SELECTED ONTARIO AND H.E.P.C. BONDS, PRICES AND YIELDS

(As at Mid-Market Close)

			December 29, 1961		April 30, 1962		May 31, 1962		Change April 30, 1962 to May 31, 1962		Change End of 1961 to May 31, 1962	
			Price		Price		Price		Price		Price	
			\$	%	\$	%	\$	%	\$	%	\$	%
Ontario	3%	1 November 1963/65	96.00	3.98	97.25	3.68	95.75	4.20	- 1.50	+ 0.52	- 0.25	+ 0.22
	5%	15 July 1963/64	101.375	3.85	101.375	3.55	100.50	4.00	- 0.875	+ 0.45	- 0.875	+ 0.45
	3%	15 December 1968/70	89.00	4.43	90.75	4.20	88.25	4.60	- 2.50	+ 0.40	- 0.75	+ 0.17
	6%	15 November 1969	105.75	5.04	106.50	4.86	106.25	4.92	- 0.25	+ 0.06	+ 0.50	- 0.12
	5½%	15 August 1977/79	101.75	5.30	103.50	5.15	102.25	5.23	- 1.25	+ 0.08	+ 0.50	- 0.07
	5½%	1 May 1978/80	101.75	5.31	103.50	5.61	102.25	5.24	- 1.25	+ 0.08	+ 0.50	- 0.07
H.E.P.C.												
H.E.P.C.	3%	1 March 1961/63	99.25	3.40	99.375	3.48	99.175	3.90	- 0.20	+ 0.42	- 0.075	+ 0.50
	4%	1 March 1965/66	97.75	4.46	99.00	4.18	98.25	4.40	- 0.75	+ 0.22	+ 0.50	- 0.06
	5-3/4%	1 July 1969	104.50	4.94	105.50	4.73	105.25	4.73	- 0.25	---	+ 0.75	- 0.21
	4½%	1 March 1976/78	93.25	5.06	94.25	4.98	92.50	5.15	- 1.75	+ 0.17	- 0.75	+ 0.09
	5-3/4%	1 July 1979	104.00	5.35	105.50	5.22	105.25	5.22	- 0.50	---	+ 1.25	- 0.13
	6%	15 February 1978/80	5.25	5.37	107.375	5.25	106.00	5.40	- 1.375	+ 0.15	- 0.25	+ 0.03

During May, all sections of the Municipal bond market moved downwards in sympathy with the Canada and Provincial bond markets. Most issues closed the month registering price losses of a full point or more. Both volume and value of new municipal issues coming to the market increased during the month of May, and there have been indications of increases in dealer inventories of unsold issues. Among the highlights of the month were a \$20,189,000 Municipality of Metropolitan Toronto serial debenture issue and a \$15,000,000 City of Montreal serial debenture issue; details of these and other important new municipal issues coming to the market during May are shown in Appendix C-7.

Outstanding issues on the Corporate bond market declined \$0.50 to \$2.00 during the month. Despite a slight increase in the volume and value of new corporate issues coming to the market, investors appeared reluctant at this time to commit their funds. The highlights of an otherwise dull market were a \$15 million $4\frac{7}{8}$ per cent 1-6 year and $5\frac{1}{4}$ per cent 20-year debentures issue of George Weston Ltd., and a \$10 million Industrial Acceptance Corporation secured notes issue; the bulk of the latter issue was sold in the United States. A list of the important new corporate issues coming to the market during May is shown in Appendix C-7.

Dividend payments by Canadian companies for the first half of 1962 are 7.2 per cent higher than in the like period in 1961, according to figures released by the Financial Post. Final figures for January-May 1962 and preliminary payments and declarations for June total \$455.4 million, as compared with \$424.8 million at the same time last year. The monthly totals are indicated on the following page.

MONTHLY DIVIDENDS AND DECLARATIONS

	<u>1961</u>	<u>1962</u>
	\$	\$
January	75,540,860	80,253,544
February	47,604,411	46,805,360
March	95,035,916	99,545,911
April	64,994,919	70,598,346
May	35,730,442	36,769,512
June	<u>105,879,657</u>	<u>121,393,117</u> ⁽¹⁾
	424,786,205	455,365,790
	<u><u> </u></u>	<u><u> </u></u>

(1) Preliminary.

The monthly figures issued by Wood, Gundy and Company Limited indicate that public bond financing in Canada in the first five months of 1962 amounted to \$1,069,063,788, as compared with \$1,256,542,889 in the same period last year, a decrease of 14.9 per cent. The breakdown is illustrated in the following table:

<u>Canadian Bond Financing January 1st to May 31st</u>	<u>1961</u>		<u>1962</u>	
	<u>Amount</u>	<u>% of Total</u>	<u>Amount</u>	<u>% of Total</u>
	\$	%	\$	%
Canadian Direct and Guaranteed(1)	360,000,000	28.6	200,000,000	18.7
Provincial Direct and Guaranteed(1)	449,710,000	35.8	387,193,000	36.2
Ontario Municipal	78,501,639	6.3	87,867,478	8.2
Quebec and Maritime Municipal	110,685,250	8.8	99,106,000	9.3
Western Municipal	14,261,000	1.1	20,490,810	1.9
Corporation	<u>243,385,000</u>	<u>19.4</u>	<u>274,406,500</u>	<u>25.7</u>
	1,256,542,889	100.0	1,069,063,788	100.0
	<u><u> </u></u>	<u><u> </u></u>	<u><u> </u></u>	<u><u> </u></u>
Payable in Canadian Funds	1,182,140,889	94.1	967,563,788	90.5
Payable in U.S. Funds	<u>74,402,000</u>	<u>5.9</u>	<u>101,500,000</u>	<u>9.5</u>
	1,256,542,889	100.0	1,069,063,788	100.0
	<u><u> </u></u>	<u><u> </u></u>	<u><u> </u></u>	<u><u> </u></u>
Refunding	383,102,000	30.5	255,668,100	23.9
New Money	<u>873,440,889</u>	<u>69.5</u>	<u>813,395,688</u>	<u>76.1</u>
	1,256,542,889	100.0	1,069,063,788	100.0
	<u><u> </u></u>	<u><u> </u></u>	<u><u> </u></u>	<u><u> </u></u>

(1) Over two years in term.

Canadian Stock Markets - May

Following the announcement of the Canadian dollar devaluation, a broad price advance occurred in all sections of the Canadian stock markets. As was to be expected, equities of firms supplying the export markets showed the most favourable price increases. However, after a brief period in which trading activity subsided, stock prices declined rapidly over the remainder of May, interrupted only by short-lived rallies. Gold stocks were the only exception in an otherwise bearish market.

On Monday, May 28, the Toronto Stock Exchange Industrial Index declined $16\frac{1}{4}$ points or 2.6 per cent to register the largest one-day fall in prices of industrial stocks since the Exchange began calculating an Industrial Index in 1934. On Tuesday and Wednesday, May 29 and 30, the market, with the exception of golds, rallied strongly to recover part of the previous losses. The final day of the month saw profit-taking bringing about a broad retreat in prices.

The major influence affecting the Canadian stock markets during the past month, and especially in the final few days, emanated from Wall Street, although activity was mainly confined to selling by Canadian traders, selling from London, and selling by small Canadian investors.

The New York stock market suffered its sharpest price decline in 32 years on Monday, May 28. The Dow-Jones Industrials Index declined 34.95 points or 5.71 per cent, the severest one-day fall since October 28, 1929, when the Index declined 38.33 points. The volume of trading rose to over 9 million shares, with more than 4 million shares being traded in the final 30 minutes of the day. \$28,500 million of paper values were erased, leaving total market value of all New York listed shares at about \$288,000 million at the day's end. Margin selling was the most important factor though emotion played a prominent part in the drastic decline. By noon of the next day, Tuesday, May 29, the tide had turned and a strong revival of buying interest occurred. Trading volume for the day rose to $14\frac{3}{4}$ million shares - the second highest volume in the history of the New York Stock Exchange. It was second only to the 16,410,030 shares traded on October 28, 1929. At close of trading on Tuesday, May 29, the Dow-

Jones Industrials Index had risen to 603.96 - a recovery of 27.03 points or 4.7 per cent. While the rally was maintained until Thursday, May 31, the first few days of June saw an atmosphere of investor uncertainty develop once again. Many brokers feel that the lows reached on May 28, 1962 may be tested in the next few weeks, and that the market indices could well decline to even lower levels.

The selling pressure and subsequent rally which prevailed on the New York stock market during the last week of May affected not only Canadian stock exchanges, but also extended to all stock exchanges throughout the western world. Similar movements took place on those exchanges but by the end of the month, most of the previous price losses had been regained. However, most markets were obviously shaken by the severity of the decline and investor caution will likely prevail for some months.

In the wake of the activity of the last few days of the month, many financial writers sought to compare the situation with that which prevailed on "Black Tuesday" of 1929. However, while absolute price and index movements were the greatest since the 1929 era, the October 28, 1929 decline was 11.7 per cent as against 5.3 per cent on May 28, 1962. In addition, trading on the New York Exchange would have had to have been nearly seven times greater to match the "Bear Market" of 1929, because of the large increase in the number of listed shares on the exchange.

The break in the market, nevertheless, had one thing in common with the crash of 1929 - the necessity to maintain margin requirements. However, in 1929, margin requirements averaged around 10 per cent with interest rates on loans ranging up to 16 per cent. Today, margin requirements in the United States are 70 per cent and in Canada, 50 per cent of stock value. Moreover, security exchange regulations have tightened considerably since 1929. Likewise, bank failures, which were a major factor in accelerating the 1929 crash, no longer pose such a threat due to changed lending policies and rules governing their overall operations. Several other differences are also worth noting. While the U.S. economy was already heading into a major recession by the time the market break occurred, most

economic indicators today do not evidence such a trend. Most important of all, perhaps, is a change in the attitude of Governments regarding trade cycles. Today it is generally accepted that Governments are responsible to a certain extent for the buoyancy of their economies and undertake all measures within their powers to combat the development of a depression.

The Toronto Stock Exchange Industrial Index closed the month at 565.92, a decrease of 41.81 and 52.87 respectively on Index over the month and since the beginning of 1962. In sharp contrast, golds closed at 90.13, an increase of 3.64 on Index over the month but a decrease of 1.01 on Index since the commencement of 1962. Base Metals closed the month at a level of 191.05, a decrease of 15.85 and 25.36 respectively on Index over the month and since the commencement of 1962. Western Oils closed at 98.45, a decrease of 11.87 and 20.91 respectively on Index over the month and since the commencement of 1962.

Representative stock indices follow:

COMMON STOCK AVERAGES

	<u>1961-62</u>		<u>Apr. 30, 1962 (Closing)</u>	<u>May 31, 1962 (Closing)</u>	<u>Percentage Change Since</u>	
	<u>High</u>	<u>Low</u>			<u>Apr. 30, 1962</u>	<u>Dec. 29, 1961</u>
T.S.E. Industrials	629.06	523.69	607.73	565.92	- 6.9	- 8.5
T.S.E. Golds	97.35	80.09	86.49	90.13	+ 4.2	- 1.1
T.S.E. Base Metals	216.90	161.42	206.90	191.05	- 7.7	-11.7
T.S.E. Western Oils	131.20	80.82	110.32	98.45	-10.8	-17.5
M.S.E. Papers (New)	527.5	444.7	502.8	485.2	- 3.5	- 3.2
N.Y. Industrials (Dow-Jones)	734.91	576.93	665.33	613.36	- 7.8	-16.1
London Industrials (Financial Times)	365.7	261.3	307.3	273.8	-10.9	-10.2

According to statistics released by the Toronto Stock Exchange, the value of all shares (\$227,089,586) traded on the T.S.E. in May was 14.8 per cent less than in the same month in 1961; similarly, the volume of shares (56,914,007) was 27.5 per cent less than in the same period last year. A comparison of the value and volume of shares

traded on the T.S.E. in the first five months of 1961 and 1962 follows:

SHARES TRADED ON T.S.E.

<u>Month</u>	<u>1961</u>		<u>1962</u>	
	<u>Value</u>	<u>Volume</u>	<u>Value</u>	<u>Volume</u>
	\$		\$	
January	172,208,251	48,465,731	257,802,090	103,560,702
February	165,984,926	40,102,357	197,335,267	65,135,372
March	210,419,954	51,115,859	180,303,855	76,600,798
April	216,742,576	59,723,084	151,436,824	61,406,537
May	<u>266,407,697</u>	<u>78,461,194</u>	<u>227,089,586</u>	<u>56,914,007</u>
	<u>1,031,763,404</u>	<u>277,868,225</u>	<u>1,013,967,622</u>	<u>363,617,416</u>

Foreign Exchange Rates - May

Commercial and speculative demand for U.S. dollars continued to be substantial throughout May, sustaining the pressure on the value of the Canadian dollar. This was reflected by the fact that the premium on the U.S. dollar rose from $7\frac{1}{2}$ per cent on May 3, to close the month at 9 per cent, accompanied by a further decline of \$102,000,000 in Canada's official Gold and Dollar holdings during the month of May.

On Friday, June 1, Finance Minister Fleming stated that the Government has made only moderate use of its exchange reserves to support the dollar near its devalued rate of $92\frac{1}{2}$ cents established on May 3. Mr. Fleming issued figures to counter persistent rumours that the Government had been forced to use as much as \$200,000,000 of its holdings of U.S. funds to keep the exchange rate on the dollar above the lower limit of 91.57 U.S. cents, as prescribed by the International Monetary Fund. The statement disclosed that the balance in the official Government reserves of gold and U.S. dollars declined by \$102,000,000 in May. This reduced the total to \$1.49 billion, a decline of \$618,000,000 from a peak that was reached last October. This is illustrated in the following table:

CANADA'S OFFICIAL GOLD AND DOLLAR HOLDINGS

Canadian Holdings

(\$ Millions in U.S. Funds)

1961	January	\$1,892.5
	February	1,911.9
	March	1,934.9
	April	1,935.2
	May	1,949.2
	June	1,985.2
	July	1,960.3
	August	1,944.4
	September	1,924.3
	October	2,110.6
	November	2,078.8
	December	2,055.8
1962	January	1,921.9
	February	1,746.7
	March	1,709.4
	April	1,594.8
	May	1,492.8 (Est.)

Mr. Fleming said most of the outflow of \$102 million was incurred in the first two days of May, a total of \$116 million, as the Government sought to keep the dollar at an unofficial level of 95 cents. Since the rate was pegged, the Government has put out only \$48 million of its exchange reserves on the currency market, Mr. Fleming said. He also stated that transactions since the establishment of the new rate on May 3 have resulted in an increase of \$14 million in reserves - this came about through transactions not associated with the open market, which provided a net increase of \$62 million.

Circumstances surrounding the acquisition of this sum have been questioned, and it has been alleged that this increase emanated from a purely technical manoeuvre. Nevertheless, the fact still remains that since the Canadian dollar was pegged at \$0.92 $\frac{1}{2}$ in terms of U.S. funds, an increase of \$14 million as at May 31, 1962 has resulted.

The British pound sterling traded within a narrow range on the New York foreign exchange market during May. Following the devaluation of the Canadian dollar, the value of the pound sterling in terms of Canadian funds increased proportionately, as indicated in the following table.

		<u>U.S. \$ in Canada (Noon)</u>	<u>Canadian \$ in U.S.A. (Close)</u>	<u>Pound Sterling in Canada (Close)</u>	<u>Pound Sterling in U.S.A. (Close)</u>
May	2	1.05	.95 ¹⁵ / ₆₄	2.95 ³ / ₈	2.81 ¹⁹ / ₆₄
May	3	1.07 ⁵ / ₈	.92 ³ / ₄	3.03 ¹ / ₄	2.81 ¹⁹ / ₆₄
May	10	1.08 ¹ / ₁₆	.92 ³³ / ₆₄	3.04	2.81 ⁹ / ₃₂
May	17	1.08 ²⁵ / ₃₂	.91 ¹⁵ / ₁₆	3.06 ³ / ₁₆	2.81 ¹⁹ / ₆₄
May	24	1.08 ⁷ / ₈	.91 ²⁷ / ₃₂	3.06 ³ / ₁₀	2.81 ⁵ / ₃₂
May	31	1.09	.91 ³ / ₄	3.06 ⁵ / ₁₆	2.81

SELECTED ECONOMIC STATISTICS
AVAILABLE MONTHLY
CANADA, ONTARIO AND UNITED STATES

Item	Unit	Period	Most Recent Month	Previous Month	Comparable Month Last Year	Year to Year Percentage Change	Year to Date	Comparable Period Last Year	Percentage Change
POPULATION									
C*	000's	Apr. 62	18,508	-	18,085	+ 2.3			
O	000's	Apr. 62	6,321	-	6,179	+ 2.3			
U	000's	Apr. 62	185,830	185,600	182,950	+ 1.6			
Natural Increase									
C	No.	May 62	29,878	25,186	30,066	- 0.6	133,901	137,666	- 2.7
O	No.	May 62	9,155	8,469	9,721	- 5.8	43,113	44,876	- 3.9
C	No.	1 quarter 62	11,762	-	11,839	- 0.7			
O	No.	1 quarter 62	5,829	-	6,504	- 10.4			
LABOUR FORCE									
C	000's	May 62	6,590	6,492	6,542	+ 0.7			
O	000's	May 62	2,394	2,368	2,391	+ 0.1			
U	000's	Apr. 62	70,769	70,697	70,696	+ 0.1			
Employed									
C	000's	May 62	6,254	6,007	6,085	+ 2.8			
O	000's	May 62	2,313	2,255	2,266	+ 2.1			
U	000's	Apr. 62	66,824	66,316	65,734	+ 1.7			
Unemployed									
C	000's	May 62	336	485	457	- 26.5			
% of L.F.			5.1	7.5	7.0				
O	000's	May 62	81	113	125	- 35.2			
% of L.F.			3.4	4.8	5.2				
U	000's	Apr. 62	3,946	4,382	4,962	- 20.5			
% of L.F.			5.6	6.2	7.0				
Average Weekly Hours Worked, Mfg.									
C	Hr.	Mar. 62	41.0	40.8	40.3	+ 1.7			
O	Hr.	Mar. 62	40.9	40.6	40.1	+ 2.0			
U	Hr.	Apr. 62	40.4	40.3	39.3	+ 2.8			

* C - Canada
O - Ontario
U - United States

(1) From January 1 to end of months in period column.

Item	Unit	Period	Monthly Figures				Cumulative Figures (1)		
			Most Recent Month	Previous Month	Comparable Month Last Year	Year to Year Percentage Change	Year to Date	Comparable Period Last Year	Percentage Change

Job Applicants	C	000's	May 62	738.0	767.8	- 16.3			
	% of L.F.			11.4	11.8				
	O	000's	May 62	218.4	236.8	- 22.5			
	% of L.F.			9.3	9.9				
Claimants for Insurance	C	000's	Apr. 62	687.5	713.1	- 20.8			
	% of L.F.			10.7	11.1				
	O	000's	Apr. 62	195.1	213.3	- 26.6			
	% of L.F.			8.3	9.0				
Average Weekly Benefit	C	\$	Apr. 62	24.49	23.98	+ 1.9			
	O	\$	Apr. 62	24.45	23.86	+ 3.2			
Farm Cash Income	C	\$M	4 quarter 61	-	751.5	+ 6.7	2,958.5	2,781.5	+ 6.4
	O	\$M	4 quarter 61	-	225.4	- 0.1	900.0	869.3	+ 3.5
	U	\$M	Mar. 62	2,334.0	2,278.0	+ 8.2	7,969.0	7,673.0	+ 3.9
	C	Index*	Apr. 62	115.2	111.3	+ 3.5			
Dividend Payments	U	\$M	Apr. 62	2,074.4	914.1	+ 8.1	4,672.0	4,342.6	+ 7.6
	C	\$	Mar. 62	80.21	77.64	+ 3.5			
Average Weekly Wages and Salaries	O	\$	Mar. 62	82.96	80.45	+ 3.4			
	U	\$	Apr. 62	95.91	90.78	+ 6.4			

(1) See B1.

* Annual Rate.

Cumulative Figures (1)

Monthly Figures

Item	Unit	Period	Most Recent Month	Previous Month	Comparable Month Last Year	Year to Year Percentage Change
------	------	--------	-------------------	----------------	----------------------------	--------------------------------

Year to Date	Comparable Period Last Year	Percentage Change
--------------	-----------------------------	-------------------

MANUFACTURING

Inventories Held	C \$M	Mar. 62	4,764	4,731	4,591	+ 3.8
	U \$M	Mar. 62	56,860	56,510	53,810	+ 5.7
Unfilled Orders	C \$M	Mar. 62	2,078	2,075	1,938	+ 7.2
	U \$M	Mar. 62	48,940	49,460	45,590	+ 7.4
New Orders Received	C \$M	Mar. 62	2,041	1,941	1,981	+ 3.0
	U \$M	Mar. 62	34,040	31,130	31,350	+ 8.6
Shipments	C \$M	Mar. 62	2,038	1,886	1,938	+ 5.2
	U \$M	Mar. 62	34,560	30,620	31,280	+ 10.5
Motor Vehicles	C No.	May 62	57,845	47,529	41,339	+ 39.9
	U 000's	Apr. 62	689	726	543	+ 26.9
Passenger Cars	C No.	May 62	48,816	39,929	34,297	+ 42.3
	U 000's	Apr. 62	589	616	447	+ 31.8
Commercial Vehicles	C No.	May 62	9,029	7,600	7,042	+ 28.2
	U 000's	Apr. 62	100	110	96	+ 4.2
Steel Ingots	C 000 tons	May 62	590.3	585.6	552.8	+ 6.8
	U 000 tons	Apr. 62	8,604.0	10,751.0	7,072.0	+ 21.7
Refrigerators, Domestic	C No.	Apr. 62	24,556	22,267	22,734	+ 8.0
Washers, Domestic	C No.	Apr. 62	21,828	23,037	21,373	+ 2.1

(1) See B1.

3
1
3

+ 8.2
+ 11.8
+ 29.0
+ 38.6

+ 30.9
+ 44.1

+ 19.7
+ 13.8

+ 11.2
+ 46.4

+ 12.6
+ 0.2

Item	Unit	Period	Monthly Figures				Cumulative Figures (1)			
			Most Recent Month	Previous Month	Comparable Month		Year to Year Percentage Change	Year to Date	Comparable Period Last Year	Percentage Change
					Last Year					
MINING Iron Ore	C 000 tons	Apr. 62	1,094	492	341	+ 220.8	2,556	1,347	+ 89.8	
	O 000 tons	Apr. 62	392	98	206	+ 90.3	636	439	+ 44.9	
	U 000 tons	Feb. 62	3,516	3,906	3,281	+ 7.2	7,422	6,613	+ 12.2	
Gold	C oz.	Mar. 62	365,977	326,519	395,139	- 7.4	1,051,984	1,137,838	- 7.5	
	O oz.	Mar. 62	217,317	192,150	238,492	- 8.9	626,344	690,115	- 9.2	
Copper (Primary)	C tons	Mar. 62	37,537	33,585	35,646	+ 5.3	105,810	105,414	+ 0.4	
	C tons	Mar. 62	21,716	18,379	17,397	+ 24.8	61,387	53,079	+ 15.7	
	C 000 oz.	Mar. 62	2,514	2,064	2,956	- 15.0	7,096	8,126	- 12.7	
	C tons	Mar. 62	15,345	13,775	17,707	- 13.3	46,029	44,444	+ 3.6	
	C tons	Mar. 62	42,578	36,553	35,155	+ 21.1	119,795	102,515	+ 16.6	
	C 000 lbs.	Jan. 62	1,513	1,322	1,835	- 17.5				
FOREST PRODUCTS										
Newsprint	C 000 tons	Apr. 62	524.9	578.3	549.1	- 4.4	2,171.6	2,178.1	- 0.3	
	Pulp	Apr. 62	943.4	1,023.0	931.5	+ 1.3	3,861.2	3,732.8	+ 3.4	
POWER										
Generation	C MKWH	Apr. 62	9,678	10,305	9,419	+ 2.7	40,207	38,293	+ 5.0	
	O MKWH	Apr. 62	2,863	3,050	2,903	- 1.4	11,955	11,365	+ 5.2	
	U MKWH	Mar. 62	78,646	72,047	71,742	+ 9.6	231,606	211,035	+ 9.7	
Consumption	C MKWH	Apr. 62	9,473	10,161	9,087	+ 4.2	39,580	37,454	+ 5.7	
	O MKWH	Apr. 62	3,284	3,521	3,097	+ 6.0	13,740	12,753	+ 7.7	
	U MKWH	Feb. 62	63,520	65,428	58,101	+ 9.3	128,948	117,537	+ 9.7	

(1) See B1.

Cumulative Figures (1)

Monthly Figures

Item	Unit	Period	Monthly Figures			Cumulative Figures (1)	
			Most Recent Month	Previous Month	Comparable Month Last Year	Year to Date	Comparable Period Last Year

		Year to Year Percentage Change		Percentage Change	
--	--	--------------------------------	--	-------------------	--

CONSTRUCTION

Residential

Building Permits	C No.	Mar.	9,058	6,343	8,991	20,093	17,933	+ 12.0
	O No.	Mar.	3,402	1,618	3,115	6,585	6,537	+ 0.7
Construction Contracts	C \$000	May	292,915	258,148	276,645	1,196,336	1,059,256	+ 12.9
	O \$000	May	114,015	122,607	101,531	515,471	413,270	+ 24.7
Residential Contracts	U \$000	Mar.	3,986,000	2,749,000	3,166,000	9,393,000	7,886,000	+ 19.1
	C \$000	May	127,452	79,547	117,502	408,286	342,666	+ 19.1
	O \$000	May	51,898	24,296	49,307	139,481	147,874	- 5.7
Business Contracts	C \$000	May	104,663	114,398	100,485	453,209	356,714	+ 27.1
	O \$000	May	42,098	64,246	34,021	218,714	142,586	+ 53.4
Industrial Contracts	C \$000	May	13,128	21,514	7,380	117,157	75,322	+ 55.5
	O \$000	May	6,973	19,169	4,822	59,242	28,698	+106.4
Engineering Contracts	C \$000	May	47,672	42,688	51,279	217,682	284,557	- 23.5
	O \$000	May	13,065	14,895	13,381	98,051	94,112	+ 4.2
New Dwelling Units Starts*	C No.	Apr.	7,930	5,073	7,339	20,387	20,559	- 0.8
	O No.	Apr.	2,947	1,407	2,643	6,556	7,453	- 12.0
	U No.	Mar.	113,900	76,300	107,300	271,900	256,000	+ 6.2
Completions*	C No.	Apr.	6,091	6,453	5,136	26,045	21,727	+ 19.9
	O No.	Apr.	1,752	2,521	1,479	10,156	8,401	+ 20.9
Under Construction*	C No.	Apr.	47,638	45,960	43,658			
	O No.	Apr.	22,335	21,185	20,001			

* Canadian and Ontario figures for urban centres of 5,000 or more,
U.S.A. figures for non-farm areas.

(1) See B1.

WHOLESALE PRICES

Item	Unit	Period	Monthly Figures			
			Most Recent Month	Previous Month	Comparable Month Last Year	Year to Year Percentage Change
Wholesale Prices						
General Wholesale	C 1935-1939=100	May 62	239.1	237.4	231.2	+ 3.4
	U 1957-1959=100	Apr. 62	100.4	100.7	100.5	- 0.1
Farm Products	C 1935-1939=100	Apr. 62	247.4	246.6	255.6	- 3.2
	U 1957-1959=100	Apr. 62	96.9	98.4	96.6	+ 0.3
Industrial Materials	C 1935-1939=100	Apr. 62	247.6	247.1	241.7	+ 2.4
Building Materials-Residential	C 1949=100	Apr. 62	129.1	128.9	128.6	+ 0.4
Building Materials-Non-residential	C 1949=100	Apr. 62	131.7	131.6	131.4	+ 0.2

FOREIGN TRADE (Commodities)

[illegible]

(1) See B1.

Weekly Yields from December 27, 1961 to May 30, 1962 in Respect of Selected Government of Canada,
Province of Ontario and H.E.P.C. Bonds Issued Since February 1961

1961	H.E.P.C. 5 1/4% Feb. 15, 1971	H.E.P.C. 5 1/2% Feb. 15, 1979/81	Canada 4% May 1, 1964	Ontario 5 1/4% April 15, 1968	Ontario 5 1/2% April 15, 1979/81	H.E.P.C. 4-3/4% Nov. 15, 1971	H.E.P.C. 5 1/4% Nov. 15, 1980/83	Ontario 4-3/4% Mar. 15, 1967	Ontario 5 1/4% Mar. 15, 1979/82
December 27	4.92*	5.37*	3.68*	4.81*	5.37*	4.81	5.31		
1962									
January 3	4.87*	5.33*	3.72*	4.84*	5.32*	4.85	5.33		
10	4.94*	5.31*	3.72*	4.84*	5.32*	4.85	5.33		
17	4.98*	5.33*	3.72*	4.88*	5.32*	4.85	5.37		
24	4.98*	5.35*	3.77*	4.92*	5.35*	4.87	5.41		
31	5.01*	5.35*	3.72*	4.92*	5.35*	4.85	5.39		
February 7	5.01*	5.35*	3.65*	4.92*	5.35*	4.85	5.35		
14	5.01*	5.35*	3.62*	4.92*	5.35*	4.85	5.33		
21	4.97*	5.35*	3.66*	4.92*	5.35*	4.85	5.31		
28	4.94*	5.35*	3.63*	4.82*	5.35*	4.85	5.31		
March 7	4.90*	5.27*	3.55*	4.78*	5.27*	4.81	5.31		
14	4.86*	5.25*	3.53*	4.78*	5.25*	4.72*	5.20*	4.39*	5.21*
21	4.86*	5.25*	3.55*	4.78*	5.25*	4.72*	5.21*	4.39*	5.21*
28	4.86*	5.19*	3.55*	4.68*	5.19*	4.72*	5.19*	4.39*	5.16*
April 4	4.86*	5.19*	3.57*	4.63*	5.19*	4.69*	5.17*	4.39*	5.12*
11	4.80*	5.17*	3.55*	4.59*	5.17*	4.69*	5.14*	4.29*	5.10*
18	4.80*	5.15*	3.50*	4.50*	5.15*	4.69*	5.14*	4.29*	5.10*
25	4.80*	5.15*	3.48*	4.50*	5.15*	4.69*	5.11*	4.35*	5.09*
May 2	4.80*	5.12*	3.53*	4.50*	5.12*	4.69*	5.12*	4.35*	5.12*
9	4.80*	5.14*	3.56*	4.50*	5.14*	4.69*	5.12*	4.40*	5.12*
16	4.80*	5.14*	3.57*	4.53*	5.14*	4.69*	5.12*	4.40*	5.12*
23	4.82*	5.20*	3.92*	4.59*	5.22*	4.75	5.16*	4.52*	5.16*
Issue Amount	\$5.3M	\$44.7M	\$100M	\$24M	\$26M	\$7.2M	\$42.8M	\$20.0M	\$40.0M
Yield	5.38%	5.75%	4.34%	5.25%	5.50%	4.88%	5.32%	4.75%	5.35%
Date	Feb. '61	Feb. '61	Mar. '61	April '61	April '61	Nov. '61	Nov. '61	Mar. '62	Mar. '62

* Premium over coupon rate.

Mid-Month Yields of Selected Government of Canada, Province of Ontario and H.E.P.C. Low Coupon Issues from January 1960 to Jan. 1962

	H.E.P.C.	Ontario	H.E.P.C.	Canada	Ontario	H.E.P.C.	Canada	Ontario	H.E.P.C.
	3%	3%	4%	2 ³ / ₄ %	2 ³ / ₄ %	3%	3 ¹ / ₄ %	3%	3 ¹ / ₂ %
	Mar. 1, 1961/63	Nov. 1, 1963/65	Jan. 15, 1964/67	June 15, 1967/68	Nov. 15, 1965/69	June 15, 1971/73	June 1, 1974/76	Oct. 15, 1975/77	Oct. 15, 1974/79
	%	%	%	%	%	%	%	%	%
1960									
January	5.55	5.75	5.89	5.43	5.70	5.69	5.37	5.53	5.62
February	5.50	5.58	5.77	5.23	5.57	5.65	5.33	5.38	5.62
March	5.57	5.51	5.65	5.15	5.57	5.52	5.31	5.34	5.58
April	5.05	5.06	5.27	5.05	5.15	5.16	5.25	5.04	5.33
May	4.90	5.06	5.16	4.62	5.15	5.10	5.09	4.97	5.09
June	4.55	4.60	5.09	4.41	4.74	4.93	4.96	4.87	5.05
July	4.20	4.38	4.91	4.41	4.53	4.70	4.91	4.67	4.87
August	4.20	4.38	4.91	4.42	4.53	4.70	4.91	4.66	4.92
September	4.10	4.20	4.69	4.07	4.42	4.50	4.62	4.47	4.70
October	4.10	4.20	4.85	4.29	4.42	4.55	4.84	4.58	4.77
November	4.38	4.58	4.90	4.56	4.75	4.82	5.02	4.73	4.93
December	4.62	4.73	5.05	4.66	4.82	5.12	5.17	5.04	5.22
1961									
January	4.62	4.88	5.12	4.59	4.82	5.20	5.23	5.05	5.24
February	4.31	4.66	4.98	4.53	4.82	5.06	5.07	4.90	5.18
March	4.05	4.56	4.89	4.58	4.74	4.79	5.05	4.81	5.09
April	4.24	4.70	4.95	4.58	4.74	4.87	5.11	4.94	5.19
May	4.24	4.70	4.97	4.61	4.74	4.93	5.12	5.00	5.20
June	4.10	4.58	4.82	4.60	4.64	4.92	4.94	4.83	5.11
July	3.80	4.27	4.79	4.33	4.41	4.70	4.82	4.66	4.97
August	3.80	4.27	4.80	4.33	4.41	4.70	4.95	4.84	5.02
September	3.80	4.27	4.81	4.33	4.53	4.75	4.90	4.82	5.00
October	3.55	4.23	4.76	4.25	4.53	4.80	4.93	4.82	5.05
November	3.19	3.95	4.54	4.03	4.38	4.68	4.71	4.71	4.92
December	3.40	3.98	4.54	4.12	4.32	4.60	4.87	4.70	4.88
1962									
January	3.40	3.92	4.54	4.09	4.32	4.58	4.88	4.77	4.94
February	3.69	4.01	4.54	4.04	4.32	4.68	4.86	4.81	4.99
March	3.47	3.50	4.46	4.01	4.30	4.60	4.79	4.97	4.89
April	3.48	3.75	4.38	4.01	4.17	4.42	4.66	4.59	4.82
May	3.55	3.75	4.38	3.92	4.17	4.45	4.67	4.59	4.82

Comparison of Spread Between Long-Term Government of Canada Yields and Yields in Comparable Provincial, Municipal, Public Utility and Industrial Bond Issues Annually From 1948 to 1961 and Monthly for 1962

Annual Average	Long(1) Term Canada	10 Municipal		10 Provincial		10 Utility		10 Industrial		40 Bond	
		%	Spread	%	Spread	%	Spread	%	Spread	%	Spread
1948	2.91	3.69	0.78	3.36	0.45	3.72	0.81	3.79	0.88	3.64	0.73
1949	2.86	3.57	0.71	3.16	0.30	3.39	0.53	3.57	0.71	3.42	0.56
1950	2.77	3.46	0.69	3.12	0.35	3.33	0.56	3.50	0.73	3.35	0.58
1951	3.17	4.07	0.90	3.65	0.48	3.82	0.65	3.89	0.72	3.86	0.68
1952	3.54	4.65	1.11	4.14	0.60	4.23	0.69	4.29	0.75	4.33	0.79
1953	3.68	4.66	0.98	4.15	0.47	4.36	0.68	4.49	0.81	4.42	0.74
1954	3.13	3.98	0.85	3.55	0.42	3.94	0.81	4.14	1.01	3.90	0.77
1955	2.99	3.71	0.72	3.38	0.39	3.73	0.74	3.98	0.99	3.71	0.72
1956	3.58	4.57	0.99	4.16	0.58	4.28	0.70	4.53	0.95	4.39	0.81
1957	4.12	5.52	1.40	5.02	0.90	5.21	1.09	5.38	1.26	5.28	1.16
1958	4.02	5.13	1.11	4.70	0.68	4.90	0.88	4.98	0.96	4.93	0.91
1959	5.05	5.89	0.84	5.55	0.50	5.51	0.46	5.54	0.49	5.62	0.57
1960	5.23	6.00	0.77	5.65	0.42	5.68	0.45	5.71	0.47	5.76	0.53
1961	4.93	5.71	0.78	5.49	0.56	5.41	0.48	5.48	0.55	5.52	0.59
Monthly Average											
1962	January	4.77	0.88	5.43	0.66	5.25	0.48	5.31	0.54	5.41	0.64
	February	4.73	0.81	5.31	0.58	5.23	0.50	5.28	0.55	5.34	0.61
	March	4.67	0.77	5.20	0.53	5.18	0.51	5.18	0.51	5.25	0.58
	April	4.60	0.78	5.19	0.59	5.17	0.57	5.15	0.55	5.22	0.62
	May	4.84	0.81	5.43	0.59	5.27	0.43	5.39	0.55	5.44	0.60

Source: McLeod, Young, Weir and Company Limited 40 Bond Yield Average.

(1) The yield for long-term Canada is based on a single bond, whereas 10 are used in the other field.

REDISCOUNT RATES IN CANADA, THE UNITED STATES, AND THE UNITED KINGDOM,
SELECTED YEARS 1937 to 1961, AND WEEKLY TO DATE FOR 1962

<u>End of Period</u>	<u>Canada</u> %	<u>United States</u> %	<u>United Kingdom</u> %
1937	2.50	1.00	2.00
1948	1.50	1.50	2.00
1950	2.00	1.75	2.00
1951	2.00	1.75	2.50
1952	2.00	2.00	4.00
1953	2.00	1.50	3.50
1954	2.00	2.50	3.00
1955	2.75	2.50	4.50
1956	3.92	3.00	5.50
1957	3.87	3.00	7.00
1958	3.74	2.50	4.00
1959	5.37	4.00	4.00
1960	3.50	3.00	5.00
1961	3.24	3.00	6.00
1962 - January 25	3.35	3.00	6.00
- February 1	3.32	3.00	6.00
8	3.26	3.00	6.00
15	3.31	3.00	6.00
22	3.42	3.00	6.00
- March 1	3.46	3.00	6.00
8	3.33	3.00	5.50
15	3.33	3.00	5.50
22	3.35	3.00	5.00
29	3.37	3.00	5.00
- April 5	3.34	3.00	5.00
12	3.29	3.00	5.00
19	3.35	3.00	5.00
26	3.32	3.00	4.50
- May 3	3.19	3.00	4.50
10	3.24	3.00	4.50
17	3.36	3.00	4.50
24	3.75	3.00	4.50
31	3.77	3.00	4.50

Trends in Industrial Stock Indexes - 1948-1962

	Canada			New York					
	Toronto Stock Exchange(1)			Dow-Jones(2)			Standard and Poor's(3)		
	High	Low	Spread	High	Low	Spread	High	Low	Spread
1948	191.44	<u>149.13</u>	42.31	193.16	165.39	27.77	16.93	13.58	3.35
1949	207.36	157.28	50.08	200.52	<u>161.60</u>	38.92	16.52	<u>13.23</u>	3.29
1950	291.31	203.27	88.04	235.47	196.81	38.66	20.60	16.34	4.26
1951	360.88	290.69	70.19	276.37	238.99	37.38	24.33	20.85	3.48
1952	343.50	309.34	34.16	292.00	256.35	35.65	26.92	23.30	3.62
1953	326.81	296.79	30.02	293.79	255.49	38.30	26.99	22.70	4.29
1954	384.18	311.85	72.33	404.39	279.87	124.52	37.24	24.84	12.40
1955	455.90	374.18	81.72	488.40	388.20	100.20	49.54	35.66	13.88
1956	506.33	430.46	75.87	521.05	462.35	58.70	53.28	45.71	7.57
1957	490.42	380.06	104.36	520.77	419.79	100.98	53.58	41.52	12.06
1958	515.02	398.63	116.39	583.65	436.89	146.76	58.97	43.20	15.77
1959	<u>555.65</u>	489.77	65.88	683.90	571.73	112.17	<u>65.81</u>	56.75	9.06
1960	532.84	472.30	60.54	<u>685.47</u>	566.05	119.42	65.02	55.34	9.68
1961	(Based on Closing Quotations)								
Jan.	542.08	<u>524.13</u>	17.95	650.64	<u>610.25</u>	40.39	65.61	60.87	4.74
Feb.	550.75	<u>539.19</u>	11.56	662.08	<u>637.04</u>	25.04	67.79	64.54	3.25
March	560.00	<u>548.25</u>	11.75	679.38	<u>661.08</u>	18.30	68.78	67.06	1.72
April	576.00	<u>558.69</u>	17.31	696.72	<u>672.66</u>	24.06	70.62	68.10	2.52
May	588.06	<u>578.13</u>	9.93	705.96	<u>686.49</u>	19.47	71.25	68.90	2.35
June	593.88	<u>576.44</u>	17.44	703.79	<u>681.16</u>	22.63	71.05	68.22	2.83
July	595.69	<u>580.25</u>	15.44	705.37	<u>679.30</u>	26.07	70.65	68.00	2.65
Aug.	601.75	<u>594.69</u>	7.06	725.76	<u>710.46</u>	15.30	72.38	70.89	1.49
Sept.	610.35	<u>594.33</u>	16.02	726.53	<u>691.86</u>	34.67	72.27	69.17	3.10
Oct.	600.77	<u>595.06</u>	5.71	708.49	<u>697.24</u>	11.25	72.08	70.15	1.93
Nov.	611.98	<u>600.96</u>	11.02	738.33	<u>703.84</u>	34.49	75.60	72.20	3.40
Dec.	620.48	<u>609.42</u>	11.06	<u>734.91</u>	<u>720.87</u>	14.04	<u>76.69</u>	75.02	1.67
1962	(Based on Closing Quotations)								
Jan.	622.90	599.79	23.11	726.01	689.92	36.09	75.22	71.68	3.54
Feb.	623.29	608.79	14.50	717.55	702.54	15.01	74.67	73.21	1.46
Mar.	<u>628.60</u>	617.56	11.04	723.54	706.63	16.91	75.10	73.36	1.74
Apr.	623.93	607.73	16.20	705.42	665.33	40.09	73.16	68.58	4.58
May	617.73	557.96	59.77	675.49	<u>576.23</u>	98.56	70.13	<u>60.02</u>	10.11

(1) T.S.E. Index - 20 Industrials.

(2) Dow-Jones - 30 Industrials.

(3) Standard and Poor's Index - 425 Industrials.
(1941-43=10).

COMPARISON OF SELECTED EXCHANGE RATES
FOR MARCH 2 TO MAY 31, 1961 AND 1962

	U. S. Dollar in Canada (Noon)		Canadian Dollar in New York (Close)		Pound Sterling in Canada (Close)		Pound Sterling in New York (Close)	
	1961	1962	1961	1962	1961	1962	1961	1962
March	2	.989/16	1.05 ¹ /32	1.01 ¹⁵ /32	2.76 ⁵ /8	2.95 ⁷ /32	2.79 ³⁹ /64	2.81 ¹⁹ /32
	9	.985/16	1.05 ¹ /32	1.01 ⁴⁵ /64	2.75 ³ /16	2.95 ³ /4	2.79 ²³ /32	2.81 ⁵ /3
	16	.983/4	1.04 ²⁹ /32	1.01 ⁷ /32	2.76 ¹ /2	2.95 ¹ /2	2.79 ⁶¹ /64	2.81 ⁴⁵ /64
	23	.993/32	1.04 ²⁹ /32	1.01 ⁵⁵ /64	2.77 ¹ /2	2.95 ³ /16	2.79 ²⁷ /32	2.81 ¹¹ /16
	30	.9829/32	1.04 ³ /32	1.01 ⁷ /64	2.76 ³ /4	2.95 ³ /4	2.79 ³ /4	2.81 ²³ /64
April	6	.9815/16	1.05	1.01 ⁷ /64	2.77	2.95 ¹ /2	2.79 ³¹ /32	2.81 ³ /8
	13	.9815/16	1.04 ³¹ /32	1.01 ¹ /8	2.76 ⁷ /8	2.95 ⁵ /8	2.79 ⁶¹ /64	2.81 ³⁵ /64
	19	.987/8	1.05	1.01 ⁵ /32	2.76 ⁵ /8	2.95 ¹ /2	2.79 ⁵⁵ /64	2.81 ²⁷ /64
	27	.983/4	1.05	1.01 ¹⁷ /64	2.76 ⁵ /16	2.95 ³ /8	2.79 ³ /4	2.81 ¹³ /64
May	4	.985/8	1.07 ²⁷ /32	1.01 ¹¹ /32	2.75 ⁷ /8	3.03 ³ /4	2.79 ⁴⁵ /64	2.81 ⁹ /32
	11	.9827/32	1.08 ³ /16	1.01 ¹⁵ /64	2.76 ³ /16	3.05	2.79 ³⁹ /64	2.81 ⁹ /32
	18	.9825/32	1.08 ¹³ /16	1.01 ⁹ /32	2.75 ³ /4	3.06 ³ /16	2.79 ⁵ /16	2.81 ¹⁹ /64
	25	.9813/16	1.08 ²⁹ /32	1.01 ²¹ /64	2.78 ⁵ /8	3.06 ³ /8	2.79 ¹⁹ /64	2.81 ⁹ /64
	31	.983/4	1.09	1.01 ²¹ /64	2.75 ¹ /2	3.06 ⁵ /16	2.79 ⁷ /64	2.81

Selected New Municipal Bond Issues
May, 1962

\$20,189,000	Municipality of Metropolitan Toronto 5% and $5\frac{1}{2}\%$ 1-20 year debentures priced to yield - 5.50% on the 1-15 year maturities, and 5.60% on the 20-30 year maturities.
\$15,000,000	City of Montreal (Que.) $4\frac{3}{4}\%$ 1-10 year (sold) and 5% 11-20 year debentures priced to yield - 5.25% on the 11-15 year maturities, 5.30% on the 16-17 year maturities, and 5.35% on the 18-20 year maturities.
\$ 2,000,000	City of Halifax, (N.S.) $4\frac{3}{4}\%$ 1-10 year and $5\frac{1}{4}\%$ 11-20 year debentures priced to yield - 5.25% on the 11-20 year debentures.
\$ 1,910,000	City of Regina (Sask.) $5\frac{1}{2}\%$ 20 and 25 year term debentures priced to yield. 5.39% on the 20-year debentures, and 5.40% on the 25-year debentures.
\$ 1,135,000	City of Moncton (N.B.) 5% 1-10 year and $5\frac{1}{4}\%$ 11-20 year debentures priced to yield - 5.25% on the 11-20 year debentures.
\$ 1,150,000	City of Charlottetown (P.E.I.) $5\frac{1}{4}\%$ 20-year debentures priced to yield 5.35%
\$ 892,000	City of Kingston (Ont.) $5\frac{1}{2}\%$ and $5\frac{3}{4}\%$ 1-20 year debentures offered at prices to yield - 5.15% on the 1-10 year debentures and 5.50% on the 11-20 year debentures.

Selected New Corporation Bond Issues
May, 1962

\$15,000,000	George Weston Limited $4\frac{7}{8}\%$ 1-6 year and $5\frac{1}{4}\%$ 20-year debentures priced to yield - 4.875% on the 1-6 year maturities, and 5.40% on the 20-year debentures.
\$10,000,000	Industrial Acceptance Corporation secured notes, the bulk of which was sold in the U.S.A.
\$10,000,000	Simpsons Sears Acceptance Company $5\frac{1}{2}\%$ secured debentures Series C, priced at par.
\$ 9,000,000	Credit Foncier-Canadien 5% and $5\frac{1}{4}\%$ debentures priced to yield - 5.05% on the $5\frac{1}{2}$ year debentures, 5.25% on the 10 year debentures, and 5.41% on the 20 year debentures.
\$ 6,000,000	Quebec-Telephone $5\frac{1}{2}\%$ first mortgage sinking fund bonds Series "H" to mature June 1, 1987, price: \$100.68 (private placement).
\$ 5,000,000	Zeller's Limited $5\frac{1}{2}\%$ sinking fund debentures Series B to mature June 1, 1987, (private placement).

